

EEOC SETS SEPT. 30, 2019 AS THE NEW DEADLINE FOR EEO-1 PAY DATA REPORTING

In response to a federal district court's recent order vacating a stay of EEO-1 pay-data reporting requirements that the Office of Management and Budget (OMB) implemented in August 2017, the Equal Employment Opportunity Commission (EEOC) has announced Sept. 30, 2019, will be the new deadline for the collection of EEO-1 pay data from employers. That data includes employees' W-2 earnings and hours worked in 12 pay bands for the 10 EEO-1 job categories ("i.e., Component 2 data").

In setting the Sept. 30 deadline, the EEOC has acknowledged that the agency does not currently have the ability to process Component 2 data and that it will have to utilize a contractor to handle the collection of employee pay data in order to satisfy the agency's own newly established Sept. 30 deadline. The EEOC estimates the cost of utilizing a contractor for this data processing work to be in excess of \$3 million.

Private sector employers with 100+ employees and covered federal government contractors are required to complete the EEO-1 report annually. Traditionally, EEO-1 reports have provided the federal government with data on the race and gender of employees in 10 EEO-1 job categories, ranging from Executive and Senior Level Officials/Managers to Service Workers (i.e., "Component 1 data"). The OMB revised the EEO-1 form in 2016 to require submission of Component 2 data, including aggregate wage and hours worked data for employees, organized by race and gender, in the 12 pay bands. Compliance with this new data collection and reporting requirement was expected to create significant burdens for the business community, and in response to outcry over those burdens, the OMB stayed enforcement of the Component 2 requirements in August 2017. Last month, a federal judge lifted that stay, finding that the OMB failed to assert a proper justification to stay a measure it previously approved.

EEO-1 Component 1 data must generally be submitted by March 31 following the reporting year; however, the EEOC has extended the deadline for filing 2018 EEO-1 reports to May 31, 2019, due to the government shutdown.

PEOPLE

Brittney J. Herron

SERVICES AND INDUSTRIES

Employment and Labor