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LAURA L. MALUGADE MILWAUKEE: 414.978.5497 LAURA.MALUGADE@ HUSCHBLACKWELL.COM

White House Halts New Requirement on Collecting Pay Data in EEO-1

On August 29, 2017, the White House's Office of Management and Budget (OMB) announced it would immediately pause the pay data collection requirement of the revised EEO-1 form that was scheduled to take effect in March 2018. The data collection requirement would have significantly expanded employers' reporting obligations to the U.S. Equal Employment Opportunity Commission (EEOC).

The pay data collection requirement, announced last year as part of the Obama administration's focus on pay discrimination, would have required employers with 100 or more employees, as well as covered federal contractors and subcontractors with 50 or more employees, to submit pay data by gender, race and ethnicity on the annual EEO-1 form.

Since the change was announced in September 2016, employers had expressed concern about the time, expense and confidentiality issues associated with the revised form. In response, the OMB announced it would halt implementation and initiate a review of the effectiveness of the EEOC's pay data collection obligation, including whether the requirement is unnecessarily burdensome and fails to adequately address privacy and confidentiality issues.

What This Means to You

The stay of the reporting requirement is welcome news for affected employers. However, employers should be aware that the OMB's announcement does not permanently prevent the EEOC from requiring such information. For now, employers should plan to comply with the earlier approved EEO-1 form, which does not require data relating to employee compensation, by the filing deadline of March 31, 2018. The VETS-4212 form, required of certain federal contractors and subcontractors, remains due on or before September 30, 2017.

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For questions or more information about EEO-1 reporting obligations, please contact a member of Husch Blackwell's Labor & Employment team.