May 1, 2017

The Honorable John M. Mulvaney
Director
Office of Management and Budget
725 17th Street NW
Washington, DC 20503

Dear Director Mulvaney:

In recent weeks, a collection of business groups and several of our Congressional colleagues have called on your office to reverse or modify a critical data collection meant to provide new transparency and understanding regarding the unacceptable and persistent gap between what men and women in our country are paid for the same work.

We write to make clear that any effort to re-open and revisit those data collection requirements will be seen as an affront to the effort to address the fact that women in our country are paid just 80 cents on the dollar on average compared to men in comparable positions.

As you know, six months ago the Equal Employment Opportunity Commission (EEOC) and the Office of Management and Budget (OMB) completed a revision to the EEO-1 Form pursuant to the Paperwork Reduction Act. For the first time, the EEO-1 Form will collect information about employees’ pay. There has been no change in circumstances in the intervening six-month period and no demonstration that there was any material error in the substantial data and analysis provided by the EEOC to your office. Thus, it would appear that there is no basis to reopen or revise the data collection requirements.

The EEO-1 Form has long served as a useful tool for the EEOC to gather data to help safeguard workers’ federally protected right to work free of discrimination based on race, ethnicity, or gender. The addition of compensation data to the EEO-1 Form was long overdue, and the data offers real potential to help large employers understand and address the pay gap within their individual workforce. Transparent pay data will advantage all stakeholders. Employers can leverage data to benchmark their performance versus their competition, and inform human resources departments to make data-driven changes to address existing pay gaps. Employees will benefit because the existence of pay data will enable them to gather information that could indicate they have experienced pay discrimination. The compensation data will also strengthen the EEOC’s ability to investigate allegations of pay discrimination and better enforce existing law.

Transparency is a critical tool that has the potential to make a difference for women across professions and salary levels. Transparency can also address the fact that the pay gap is even wider when broken down by race, with African American women making only 63 cents and Latina women making only 58 cents for every dollar that white non-Hispanic men are paid.
Addressing the pay gap has the potential to cut the poverty rate amongst working women in half and would have tremendous benefit to the overall economy. By collecting more and better data, the Federal Government can better uphold our collective ideal that all hard-working Americans enjoy a fair and level playing field at work.

As you are likely aware, rigorous assessment and consultation has made clear the revised EEO-1 Form would not unduly burden employers. OMB previously approved the EEO-1 Form revision on September 29, 2016 for a term of three years after an extensive and transparent process that involved two rounds of notice and public comment, including significant engagement with the employer community. A 2012 National Academy of Sciences’ study regarding the collection of compensation data concluded that use of the EEO-1 Form for pay data collection would be “quite manageable for both the EEOC and the respondents.” The EEOC additionally undertook its own study to determine the most efficient way to collect this data, and took steps to minimize any burden of the EEO-1 Form revisions on employers, including moving the EEO-1 Form filing deadline from September to March, using W-2 income as a measure of compensation, and coordinating data collection between the EEOC and the Department of Labor’s Office of Federal Contract Compliance Programs. Moreover, suggestions that requiring employers to disclose how many employees fall within particular pay categories pose risks to employee privacy—when employers face criminal penalties for disclosure and other strong safeguards have been put in place—can only be regarded as an effort to oppose any type of pay transparency.

We strongly support the changes made to the EEO-1 Form and believe that no additional changes are warranted or can be supported under the Paperwork Reduction Act at this time. We look forward to working together to make the existing revisions to the EEO-1 data collection a success for employers and employees after the thorough and careful process undertaken by the EEOC and OMB. With new transparency from large employers, we can all expect to see progress in our shared goal of ensuring equal pay for equal work.

The light this information would shine on the persistent pay gap in this country will help to ensure that equal pay for equal work is finally made a reality.

Sincerely,

Cory A. Booker
United States Senator

Patty Murray
United States Senator

Kirsten Gillibrand
United States Senator

Sherrod Brown
United States Senator