

Client Alert

Business Information for Clients and Friends of Shumaker, Loop & Kendrick, LLP

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EEO-1 Filers Must Submit New Pay Data by September 30, 2019

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Pietruszka If you are an employer required to file an EEO-1 report, your life became a lot more difficult this year. The Equal Employment Opportunity Commission (EEOC) recently announced that in addition to filing the usual EEO-1 data by May 31, 2019, EEO-1 filers must now submit wage and hour data on their employees by job category, gender, race, and ethnicity for calendar years 2018 and 2017 by September 30, 2019.

The EEO-1 Report

The EEO-1 report is nothing new. Companies with 100 or more employees (including part-time employees) and federal contractors with 50 or more employees have been required every year to file the report with the EEOC. That report can be found <u>here</u>. In the report, employers are required to provide the EEOC with a demographic headcount of their employees by job category, gender, race, and ethnicity (now known as "Component 1" data). This requirement has not changed, and employers were already required to submit the usual Component 1 data by May 31, 2019. What has changed, however, is a brand new requirement for employers to submit additional data on their employees by September 30, 2019.

The New Requirement

After a long and convoluted legal battle, the EEOC recently announced that EEO-1 filers are now required, in addition to having already submitted the usual Component 1 data by May 31, 2019, to submit wage and hour data by job category, gender, race, and ethnicity ("Component 2" data) by September 30, 2019. To make matters worse, this new wage and hour data must be gathered and reported for calendar years 2018 and 2017. Filers must report their Component 2 data within the EEOC's web-based "Component 2 EEO-1 Online Filing System," which opened for business on July 15, 2019. A link to the Online Filing System can be found here. Filers may also report their data by creating their own data file, but the file

layout must match the EEOC's data file specifications exactly. Companies should receive their User ID for the Online Filing System via a notification letter and an email sent to the registered EEO-1 email address on record. After logging into the Online Filing System, employers are required to report W-2 Box 1 earnings and total hours worked for all employees (including part-time employees) by job category, race, ethnicity, and sex within 12 pay bands. A sample of the Component 2 Online Filing System form can be found here. If all of this were not enough, the EEOC will be collecting Component 2 pay data to assist it in assessing pay disparities.

What Now?

If you are an employer required to file an EEO-1 report, you have your work cut out for you this year. Now that you have (hopefully) reported your usual Component 1 data, you should begin gathering the new Component 2 wage and hour statistics from calendar years 2018 and 2017 in preparation for the September 30, 2019 deadline. While you are doing so, this might be a good opportunity to review and address any pay disparities that you discover while gathering the new data. As always, Shumaker's employment law team is available to answer any questions you may have.

If you have any questions, please contact Christopher Cavaliere at ccavaliere@shumaker.com or 813.676.7208 or Jan Pietruszka at jpietruszka@shumaker.com or 813.227.2245.



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