



AUG 24 2017

The Institute for Workplace Equality
1920 I Street NW
Washington, DC 20006

Dear Messrs. Cohen, Fortney, and Silberman:

The U.S. Department of Labor (DOL) received The Institute for Workplace Equality's May 19, 2017, letter opposing the consolidation of the Office of Federal Contract Compliance Programs (OFCCP) with the Equal Employment Opportunity Commission (EEOC), as proposed in the President's Fiscal Year (FY) 2018 Budget request. I am responding on behalf of DOL and the Office of Management and Budget.

The proposed consolidation is consistent with the President's overall effort to reform the Executive Branch to promote greater efficiency and effectiveness; however, we acknowledge that the consolidation proposal includes several challenging transition issues.

Consolidating the two agencies would require legislative action to amend the Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA) and Section 503 of the Rehabilitation Act to transfer enforcement authority from DOL to the EEOC. Rulemaking would be required to implement the amendments. Additionally, the analysis of relevant authorities includes a consideration of the different enforcement structures and approaches used by the two agencies. For instance, the EEOC's enforcement structure is judicial in nature while OFCCP utilizes the processes and procedures of DOL's Office of Administrative Law Judges and Administrative Review Board to carry out its enforcement responsibilities. Bridging these and other differences will likely prove time consuming and could delay the expected FY 2019 start for the proposed consolidation, which would result in a concomitant delay in the realization of intended benefits.

While the Congress considers these same issues, we believe there are contemporaneous opportunities to improve effectiveness and efficiency, for example, through the existing Memorandum of Understanding (MOU) between OFCCP and the EEOC. Working within the framework of the MOU, we should be able to achieve desired reforms in the near term, without immediate recourse to legislative and regulatory action. OFCCP will continue to collaborate with the EEOC to further explore other opportunities to identify operational cost savings by eliminating existing redundancies.

Be assured that the Institute's thoughts and concerns about the consolidation proposal, as well as those of other stakeholders, are being considered by DOL and the Administration.

Sincerely,

A handwritten signature in blue ink, appearing to read "THOMAS M. DOWD", written over a horizontal line.

THOMAS M. DOWD

cc: The Honorable Mick Mulvaney, Director
Office of Management and Budget