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Labor & Employment Alert

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EEOC Form EEO-1 update expands race and ethnicity data collection

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The Equal Employment Opportunity Commission's EEO-1 form now includes a "Middle Eastern or North African" (MENA) category and permits users to make multiple race and ethnicity selections.



What's the impact?

- Employers with 100 or more employees are now required to adopt these changes in their workforce demographic reporting.
- These changes aim to create a more accurate picture of US workforce demographics.

Effective immediately, the Equal Employment Opportunity Commission (EEOC) has revised the EEO-1 form to include a "Middle Eastern or North African" (MENA) category and now permits users to make multiple selections when prompted to identify applicable race and ethnicity.

What is the EEO-1 form?

The EEO-1 report is part of a mandatory annual data collection required by the EEOC for all private sector employers with 100 or more employees and for federal contractors with 50 or more employees. Using this form, employers must submit workforce demographic data (including data by sex and race/ethnicity, and by job category) to the EEOC. Collecting this data helps the EEOC to track trends in workforce demographics, understand the state of recruitment, and identify harmful workplace practices, such as potential employment discrimination.

Why did the EEOC update its data collection practices?

This update aims to refine the commission's workforce oversight capabilities by capturing a more accurate picture of employee demographics, particularly for MENA individuals who were previously categorized as White. In addition, facilitating the selection of two or more races will capture the true diversity of individuals previously labeled Hispanic, a designation that could potentially cover multiple racial groups. This comes on the heels of EEOC's 2022 introduction of a nonbinary gender identification option. While these changes aim to create a more accurate picture of the US workforce, they could unintentionally create administrative challenges for the agency and compliance risks for employers.

When are EEO-1 reports due?

Employers with 100 or more employees are now required to adopt these changes in their workforce demographic reporting, ensuring a comprehensive representation of their employees' racial and ethnic identities.

EEO-1 data collection will open on Tuesday, April 30, 2024, and the deadline to file the 2023 EEO-1 Component 1 report is Tuesday, June 4, 2024.

Nixon Peabody's <u>Labor, Employment, and Benefits</u> attorneys regularly help employers audit their compliance practices and remedy potential issues to minimize the likelihood of an investigation or dispute.

For more information on the content of this alert, please contact your Nixon Peabody attorney or:

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