

Federal Construction Contractors and Subcontractors Face New Compliance Filings: Your 5 Biggest Questions Answered

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The Office of Federal Contract Compliance Programs (OFCCP) just announced it is reinstating a monthly compliance filing report for covered construction contractors and subcontractors. With an initial due date of April 15, 2025, and reports due every 15th of the month thereafter, covered construction contractors and subcontractors will soon have to submit their CC-257 reports to the OFCCP. What are the answers to the five biggest questions you have about this November 25 announcement?

Are We Covered?

Businesses with a federal construction contract or subcontract and/or federally assisted construction contract or subcontract in excess of \$10,000 will be required to complete and submit the monthly report.

What Must We Report?

This revived monthly report captures employee demographic information (race and ethnicity, gender) across several construction trades. The form is pre-populated to capture information for forepersons, journey workers, apprentices, trainees, and non-apprenticed laborers or helpers. However, contractors can also add additional trades who are working in the covered areas.

The report, which can be submitted in PDF or Excel form, utilizes the EEOC's current race and ethnicity categories: Hispanic or Latino, White, Black, Asian, Native Hawaiian or Other Pacific Islander, American Indian or Alaska Native, and Two or More Races. Contractors will also need to include relevant company information including the Unique Entity ID (UEI), the Employee Identification Number (EIN), and the awarding Agency.

Although contractors can submit the information via Excel or PDF, the Agency's preferred method is via Excel, submitted to OFCCP's dedicated email address. This information is designed to demonstrate the Company's utilization – i.e. representation of the workforce expressed in demographic terms.

Why is the OFCCP Collecting This Information?

Like most of the OFCCP's compliance requirements, the agency contends that the report will strengthen its enforcement, outreach, and compliance assistance activities and help it "better meet its mission of protecting workers in the construction trades."

This initiative continues the long line of compliance initiatives the OFCCP has instituted for the construction industry following the landmark Infrastructure Investment and Jobs Act (IIJA). The agency also hopes that construction contractors can use the monthly report to monitor their equal employment opportunity efforts and take corrective measures while the project is ongoing if they find obstacles to equal employment opportunity.

What is the Timeline?

Starting in April 2025, construction contractors must submit monthly reports, covering the prior month, evidencing their utilization. For example, the report due on April 15 will cover the period March 1 to March 31, 2025. Thereafter, the reports will be due by the 15th of every month. If the due date falls on a weekend or federal holiday, the report is due on the following business day.

How Should We Prepare?

This monthly reporting is the most frequent compliance reporting required by OFCCP. To meet this challenge, here's five steps for construction contractors:

- Determine whether your company is **required** to comply. Remember only federal and federally assisted construction contractors need to comply with this new requirement.
- Adjust your **compliance reporting calendars** to accommodate this new monthly report.
- Ensure your **HRIS or other systems** have the capacity and capability to capture, track, and maintain this information.
- Review your utilization reports with your **legal counsel** to assess trends.
- Assess your outreach and recruitment efforts as a function of the utilization demonstrated in the reports.

Conclusion

Fisher Phillips will continue to monitor any further developments in this area as they occur, so you should ensure you are subscribed to <u>Fisher Phillips' Insight System</u> to gather the most up-to-date information. If you have any questions, please consult your Fisher Phillips attorney, the authors of this Insight, any member of our <u>Affirmative Action and Federal Contract Compliance Practice Group</u>, or any member of our <u>Construction Industry Team</u>.

Related People



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