June 23, 2017

Senator Thad Cochran Chairman Senate Committee on Appropriations Washington, D.C. 20510

Senator Roy Blunt Chairman Subcommittee on Labor, Health and Human Services, Education, and Related Agencies Washington, D.C. 20510 Senator Patrick Leahy Vice Chairman Senate Committee on Appropriations Washington, D.C. 20510

Senator Patty Murray Ranking Member Subcommittee on Labor, Health and Human Services, Education, and Related Agencies Washington, D.C. 20510

Dear Senators Cochran, Blunt, Leahy, and Murray:

The undersigned organizations committed to women's workplace equality and economic security write to express their strong opposition to the harmful reorganization and draconian cuts proposed in the Administration's Department of Labor budget. If adopted, these changes would significantly undermine equal opportunity and economic security for women in workplaces across America.

The Department of Labor is tasked with ensuring the well-being of working people, protecting their rights, and advancing their employment opportunities. Today that necessarily means specifically addressing the barriers that women face in the workplace. Women are nearly half the country's workforce, and mothers are breadwinners or co-breadwinners in nearly two-thirds of families.

The Department of Labor interprets and enforces laws vital to women's economic security and right to be free from workplace discrimination, including the Fair Labor Standards Act, the Family and Medical Leave Act, the Affordable Care Act, and executive orders prohibiting employment discrimination by federal contractors and setting labor standards for federal contractors' employees. The Department of Labor is responsible for implementing policies and programs that help close the gender wage gap; remove barriers to women's employment opportunity, including sex discrimination; raise women's wages; allow women to meet caregiving responsibilities while succeeding at work; and ensure women's health and safety so they can continue to support their families.

The Administration's proposed 20 percent cut to the Department of Labor's budget threatens these goals. Indeed, several of the proposed cuts target programs specifically aimed at ensuring fairness and opportunity for women at work — including slashing the Women's Bureau budget by nearly 75 percent, eliminating the Office for Federal Contract Compliance Programs (OFCCP), and eliminating funding for the Women in Apprenticeship and Nontraditional Occupations Act (WANTO) program. The proposed creation of an inadequate and unfunded paid parental leave program does not compensate for these draconian cuts and threatens to undermine already-fragile unemployment insurance programs in the majority of states; the proposed parental leave plan would also fail to meet the needs of millions of people who take family and medical leave each year by excluding family care and personal medical leave. The Administration also continues to devise new strategies to delay and weaken an updated

Department of Labor final rule expanding access to critical overtime pay for millions of working people.

Instead of undoing hard-won progress and moving women and families backward, we urge you to reject these harmful proposals and protect the Department of Labor's budget, staffing levels and crucial programs in order to ensure women's equality and opportunity in the workplace, which is critical to their economic security and that of the families who depend on their income.

The President's Budget Would Effectively Eliminate the Women's Bureau

The President's budget proposes slashing funding for the Women's Bureau by nearly 75 percent — fatally undermining its mission and efficacy, and effectively eliminating the agency.

For almost a century, as the only federal office specifically devoted to women's success at work, the Women's Bureau has sought to advance the interests of women in the workplace through research, public education, policy development, and advocacy. Among other services, the Women's Bureau, through its central office and 10 district offices, provides informational resources to aid women seeking to enter high-paying, traditionally male-dominated jobs in construction, transportation, and protective services; offers one stop know-your-rights guides on issues including equal pay, pregnancy discrimination and breastfeeding; and funds research on best practices for establishing state and local paid family and medical leave programs, among many other initiatives. The Women's Bureau provides valuable tools for women seeking to enforce their workplace rights and expand their workplace opportunities.

At a June 7, 2017, hearing before the House Labor, Health & Human Services, and Education Appropriations subcommittee, Secretary Acosta expressed his purported support for the Women's Bureau and the work it would perform for the Department of Labor on issues critical to women. But when questioned, he was unable to explain how the Women's Bureau could continue to perform that work in light of the drastic budget cut he was defending. The proposed budget cut would shutter the Women's Bureau's regional offices, which supplement a small staff in Washington, D.C., and eliminate the agency's ability to conduct significant outreach and education nationally to advance women in the workplace. The Women's Bureau's vital tools and resources will no longer be available if the agency's already minimal \$11 million budget is slashed. We strongly urge you to safeguard this crucial office against the Administration's proposed cuts.

The Elimination of OFCCP Would Undermine Critical Civil Rights Protections for Women

The Administration's budget includes a proposal to cut OFCCP's funding by 20 percent in FY18 and eliminate OFCCP thereafter, transferring its functions to the Equal Employment Opportunity Commission (EEOC), an independent agency. No equivalent increase in funding for EEOC is proposed.

At the June 7 hearing, Secretary Acosta claimed the merger was a cost-saving measure that would not change the nature of the agencies or reduce enforcement, but this is patently untrue. If adopted, this proposal would impede the distinct missions of both OFCCP and EEOC, each of which is vital to the advancement of workplace equality and opportunity for women and — especially — women of color. Implementation of this proposal, which is opposed by a wide

array of stakeholders including <u>women's rights organizations</u>, <u>civil rights organizations</u>, and <u>workers' rights organizations</u>, as well as business associations such as the <u>U.S. Chamber of Commerce</u>, would undermine the civil rights protections that employers and working people have relied on for almost fifty years.

OFCCP's and EEOC's missions are complementary, but different, as Secretary Acosta has acknowledged. EEOC primarily responds to and seeks to remedy complaints of discrimination in employment. OFCCP more broadly oversees the employment practices of federal contractors, who employ about a quarter of the nation's workforce, ensuring that they meet the high standards for ensuring equal employment opportunity that come with the privilege of receiving taxpayer dollars. OFCCP ensures federal contractors fulfill their obligations to proactively monitor workplace diversity and pay equity, to make a meaningful effort to recruit qualified applicants from groups who are under-represented in their workplaces, and to break down barriers to equal opportunity for various disadvantaged groups, including women, people of color, veterans and individuals with disabilities.

OFCCP also engages in systemic compliance audits to ensure that federal contractors are abiding by Executive Order 11246, which prohibits discrimination on the basis of sex (including crucial protections against pay discrimination, sexual harassment, discrimination on the basis of gender identity, and pregnancy discrimination), race, ethnicity, religion, sexual orientation, and gender identity; Section 503 of the Rehabilitation Act, which prohibits discrimination on the basis of disability, and the Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA), which protects veterans from discrimination. OFCCP also enforces protections for employees of federal contractors who discuss their pay. OFCCP's compliance audits are critical to addressing systemic discrimination in areas such as pay or hiring – where many affected individuals do not realize they are experiencing discrimination and thus cannot bring complaints challenging it, because they have no access to comprehensive information about an employer's hiring or compensation practices.

OFCCP enforces rights beyond those that EEOC enforces, and its staff possesses extensive training and expertise in the procurement process that EEOC's staff does not have and would take years to develop. EEOC is already over-burdened and underfunded, resulting in a large backlog of cases; it does not have the capacity to absorb OFCCP's distinct and important functions — and attempting to do so with insufficient resources would harm the work traditionally done by each agency.

Tellingly, the President's budget does not propose an increase in EEOC's funding, thereby revealing the true purpose of this proposal. Eliminating a vital civil rights enforcement agency with a unique mission to promote proactive workplace diversity efforts and pay equity is not about efficiency or saving money; rather, it is designed to make it more difficult for federal civil rights agencies to enforce the laws that promote equal opportunity and protect working people from discrimination. For these reasons, we urge you to reject the Administration's proposal and allow these critical civil rights agencies to continue their efforts without further interference.

The Elimination of WANTO Funding Would Perpetuate Barriers to Women's Access to High-Skilled, High Paying Jobs

The Administration's budget would eliminate all funding – currently \$1 million – for the Women in Apprenticeship and Nontraditional Occupations Act (WANTO) program, which seeks to overcome the many barriers, including overt discrimination and blatant harassment, that keep women from entering and staying in well-paying positions in traditionally male-dominated fields such as the trades, information technology, and advanced manufacturing.

The President and Secretary Acosta have emphasized the importance of apprenticeship and job training programs to provide working people with new skills and facilitate their entry to available jobs. But the Administration's budget proposal and recent executive order on apprenticeships still contemplate eliminating or slashing the budget of existing federally funded job training and apprenticeship programs, including unique, vital programs like WANTO. Moreover, the President's recent executive order on apprenticeships proposes dramatically decreasing the Department's oversight of apprenticeship programs' compliance with labor and equal employment opportunity standards, further undermining efforts to increase women's entry into apprenticeship programs and nontraditional occupations, compounding the damage of the elimination of WANTO.

Since 1992, WANTO has provided technical assistance to employers and labor unions to encourage women's entry into apprenticeship programs and nontraditional occupations for women. WANTO, jointly administered by the Women's Bureau and the Employment and Training Administration, is the only federal program designed specifically to help women enter nontraditional occupations, defined by the Department of Labor as those in which women make up 25 percent or less of total employment. For instance, although women make up nearly half the workforce, they constitute approximately six percent of apprentices and only 2.6 percent of workers in construction and extraction occupations. In contrast, nearly two-thirds of minimum wage workers and tipped workers in the United States are women — and the minimum wage falls far short of what it takes to live above the poverty line.

Women's overrepresentation in low-wage jobs, and underrepresentation in higher paying occupations dominated by men, helps perpetuate the gender wage gap and poverty. Indeed, jobs that are predominantly done by women, such as caregiving, are often devalued precisely because they are considered "women's work." For example, although job tasks for janitors and building cleaners are similar to job tasks for maids and housekeeping cleaners, the overall median weekly wage for a male-dominated janitor and building cleaner job is 19 percent higher, or \$85 dollars more, than the median weekly wage for a female-dominated maid and housekeeping cleaner job.

Programs like WANTO help alleviate occupational segregation and barriers by ensuring that employers actively recruit, train and retain women for nontraditional employment. These jobs provide women with new skills and opportunities for advancement, in addition to important supports like health insurance and paid leave, thereby increasing the ability of women to achieve economic security. Accordingly, we urge you not to abandon this important program, and instead maintain or expand its support in the Department of Labor's budget.

The President's Paid Parental Leave Proposal Is Inadequate and Dangerously Unfunded

The President's budget includes a proposal that would provide mothers and fathers with six weeks of paid leave after the birth or adoption of a child. This proposal requires states to provide wage replacement payments through existing unemployment insurance programs, and forces states to identify program cuts or tax increases to fund the proposal. For several reasons, the President's proposal falls woefully short of the leading, common sense federal paid leave proposal in Congress (the FAMILY Act, H.R. 947, S.337, modeled on effective programs in states such as California, New Jersey, and Rhode Island), and is simply inadequate.

In providing only parental leave, the proposal fails to address many of the most pressing needs of working people. Of individuals who take family or medical leave in the U.S., 75 percent do so for family caregiving and personal medical reasons, not for parental leave. That means people facing their own or a family members' lengthy illness and treatment, or adult children caring for parents with serious medical conditions, will be left without access to paid leave and will bear the risk of debt or poverty.

Moreover, the President's paid leave proposal provides just six weeks of leave — leaving the U.S. lagging far behind most countries that offer paid leave, and well below our own clearly established 12-week national standard under the Family and Medical Leave Act. Indeed, even on its own limited terms, this proposal fails to meet the needs of the many new mothers who need more than six weeks to recover from a cesarean section or childbirth complications before returning to work.

Finally, and of significant concern, is the fact that the President's budget fails to provide adequate funding for the paid leave proposal. Instead, the program will be built upon and funded by state unemployment insurance systems, which are already fragile after the last recession. The proposal is built to fail, because it relies upon states' exceedingly limited unemployment insurance benefits programs, which vary widely and have been weakened over the years, helping fewer workers and providing smaller benefits. The Subcommittee should reject this deficient and harmful proposal, and instead support a comprehensive, national paid family and medical leave program that is responsibly and sustainably funded.

The Administration's Attempts to Delay and Weaken the Updated Overtime Rule Harm Women and Families

During his testimony before the House Appropriations subcommittee, Secretary Acosta announced that the Department of Labor will open a request for information on its updated final rule extending overtime protections to millions of working people. The final rule, which was scheduled to take effect December 1, 2016, raises the salary threshold below which workers are entitled to receive overtime pay — last updated in 2004 — from \$23,660 to \$47,476. The updated rule would benefit an estimated 12.5 million modestly paid U.S. workers, including millions of women, ensuring that they get overtime pay if they work over 40 hours in a week, or more time with their families without a cut in pay if their employers do not want to compensate them for extra hours. Yet implementation of the rule has been delayed by legal challenges since September 2016, and the Administration's new request for information is a transparent effort to weaken the rule. We urge the Subcommittee to call on the Department of Labor to defend the final rule in its current form.

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In conclusion, we strongly urge you to reject the proposed cuts to the Department of Labor's budget, resist efforts to eliminate or reorganize agencies vital to women's equality, opportunity and economic security, and support a comprehensive, sustainable and responsible national paid family and medical leave program. We call on the Subcommittee to ensure that the Department of Labor's budget and staff levels remain at current or increased levels. Women and the families who rely on them are counting on it.

We welcome any questions you may have about this matter. You may direct all inquiries to Emily Martin, General Counsel and Vice President for Workplace Justice at the National Women's Law Center, emartin@nwlc.org, or Vicki Shabo, Vice President at the National Partnership for Women & Families, at vshabo@nationalpartnership.org.

Sincerely,

1,000 Days

9to5, National Association of Working Women

A Better Balance

A Woman's Place

American Association of University Women (AAUW)

American Civil Liberties Union

Association of Flight Attendants

Black Women's Roundtable

BreastfeedLA

California Advanced Lactation Institute

California NOW

Coalition of Labor Union Women (CLUW)

CLUW of Orange County

Derby City CLUW (Louisville)

Greater NJ Coalition of Labor Union Women (CLUW)

New York State CLUW

RI Coalition of Labor Union Women

San Francisco CLUW

Equal Pay Today!

Equal Rights Advocates

Family Forward Oregon

Family Values @ Work

Feminist Majority

For Our Daughters RI

Institute for Science and Human Values

Jewish Women International

Keystone Research Center

Labor Council for Latin American Advancement (LCLAA)

Labor Project for Working Families

The Leadership Conference on Civil and Human Rights

Lean On and Lead, Mothering and Work in the 21st Century Economy

Legal Aid at Work

MANA, A National Latina Organization

Ms. Foundation for Women

NAACP

National Center for Law and Economic Justice

National Council of Jewish Women

National Employment Law Project

National Partnership for Women & Families

National Resource Center on Domestic Violence

National Women's Law Center

New York Paid Leave Coalition

Pennsylvania National Organization for Women

SW Pennsylvania National Organization for Women (NOW)

Ni-Ta-Nee NOW (Centre County, PA)

People For the American Way

Project IRENE

Sargent Shriver National Center on Poverty Law

Southwest Women's Law Center

UltraViolet

University of Rhode Island Work-Life Committee

Women Employed

Women's Institute for Leadership Development RI

Women's Law Project