

March 12, 2025

The History and Status of the Office of Federal Contract Compliance Programs (OFCCP)

The Office of Federal Contract Compliance Programs (OFCCP) is an agency in the U.S. Department of Labor (DOL) created in 1965 to ensure that employers conducting business with the federal government comply with certain equal employment opportunity laws. On January 21, 2025, President Trump signed Executive Order (E.O.) 14173, “Ending Illegal Discrimination and Restoring Merit-Based Opportunity,” which rescinded much of the policy that OFCCP had implemented. E.O. 14173 has broad implications for the operations and continued functioning of OFCCP.

Origins of OFCCP

The federal government’s interest in equal employment opportunity among federal contractors dates back to E.O. 8802. Signed in 1941 by President Roosevelt, this executive order prohibited federal defense contractors from discriminating on the basis of race and ethnicity. Over the next two decades, Presidents Truman and Eisenhower expanded efforts to combat discrimination within the federal contractor workforce. President Kennedy was the first to require federal contractors to take “affirmative action” to ensure nondiscrimination with regard to employees’ race, creed, color, or national origin (via E.O. 10925).

After the passage of the Civil Rights Act of 1964, President Johnson issued E.O. 11246 (“Equal Employment Opportunity”) on September 24, 1965. This executive order transferred enforcement authority for equal employment opportunity from a presidential committee to DOL, empowering the department to take action against federal contractors for violations. Sanctions for violations could include debarment and the cancellation of contracts. On October 5, 1965, the Secretary of Labor issued an order using DOL’s new authorities to create the Office of Federal Contract Compliance (OFCC), which received its first congressional appropriation in 1966.

The first director of OFCC promulgated regulations requiring every federal contractor with more than 50 employees and a contract of more than \$50,000 to develop an affirmative action plan. For more on what E.O. 11246 and its implementing regulations required, see CRS Legal Sidebar LSB11268, *Rescission of Executive Order 11246, “Equal Employment Opportunity”: Legal Implications*.

From OFCC to OFCCP

Over the next decade, OFCC’s authority gradually expanded. President Johnson amended E.O. 11246 in 1967 to include sex as a prohibited basis of discrimination by federal contractors and require affirmative action for women. In 1972, President Nixon signed the Equal

Employment Opportunity Act into law. The following year, Congress passed the Rehabilitation Act of 1973, followed by the Vietnam Era Veterans’ Readjustment Act (VEVRAA) of 1974.

By 1975, OFCC was responsible for ensuring federal contractors enforced nondiscrimination requirements and developed affirmative action plans for veterans and individuals with disabilities, in addition to the classes included in E.O. 11246, as amended. President Ford renamed OFCC to OFCCP to reflect its expanded jurisdiction.

Expansions of OFCCP’s Mandate

After the name change, Administrations continued to expand the role of OFCCP via amendments to E.O. 11246 and other administrative actions. For example, the Reagan Administration developed Exemplary Voluntary Efforts Awards for contractors with exceptional programs for women, minorities, and individuals with disabilities.

In the 1990s, as part of the Glass Ceiling Initiative, OFCCP under the George H.W. Bush Administration found that while the percentage of women and minorities in the workforce had increased, they were still poorly represented in senior management positions across the 94 largest private federal contractors. The Clinton Administration built upon this work with a variety of OFCCP initiatives, including a Glass Ceiling Commission.

In the 2000s, the Jobs for Veterans Act of 2002 amended VEVRAA to include veterans who had served in the National Guard or active reserves. In that same year, President George W. Bush signed E.O. 13279, which exempted religiously affiliated contractors from some of E.O. 11246’s religious nondiscrimination requirements. With E.O. 13665, the Obama Administration barred federal contractors from discriminating against employees for discussing compensation.

Enforcement Authorities

Prior to the recent E.O. 14173, OFCCP administered and enforced three equal employment opportunity laws among federal contractors: (1) E.O. 11246, as amended; (2) Section 503 of the Rehabilitation Act of 1973, as amended; and (3) VEVRAA, as amended.

E.O. 11246, as amended, empowered DOL to enforce, among other things, the following provision to be placed in federal contracts:

The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin.

Without E.O. 11246, OFCCP no longer has the authority to enforce nondiscrimination or affirmative action requirements against federal contractors across the classes specified in that E.O. However, DOL is still responsible for enforcement of Section 503 of the Rehabilitation Act and VEVRAA, which include protections for veterans and individuals with disabilities who are employees of federal contractors. There is no statutory requirement for DOL's enforcement to occur via OFCCP.

Data Collection and Reporting

Prior to the second Trump Administration, OFCCP collected data and published information related to its activities, such as monetary relief obtained via enforcement. These statistics have since been removed from OFCCP's website. According to historical data, 250,900 workers obtained financial relief totaling \$260.8 million from FY2014 to FY2024. During this same period, OFCCP's reviews encompassed contractor facilities that employed over 10.3 million workers. As a result of OFCCP investigations during this period, more than 22,600 individuals employed by federal contractors received new job opportunities or salary adjustments.

OFCCP also previously maintained public information on earning disparities by sex, race, and ethnicity as well as a downloadable database of complaints. As of February 2025, all OFCCP enforcement information and statistics had been removed. **Table 1** and **Table 2** display the publicly reported information available at this time. FY2020 may have had a record number of class members because of the first Trump Administration's Early Resolution Procedures Program.

Table 1. OFCCP Complaint Investigation Outcomes

Outcome	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Investigations	83	114	67	44	63
Total relief (\$1,000s)	\$55	\$58	\$96	\$567	\$293
Number of complainants with monetary relief	4	4	107	10	39
Average relief per complainant (\$1,000s)	\$14	\$14	\$1	\$57	\$7.5

Source: Archived Department of Labor website, <https://web.archive.org/web/20250123181301/https://www.dol.gov/sites/dolgov/files/ofccp/BTN/sheets/ComInvestigationQ42024.xlsx>

Notes: Dollar amounts are rounded to the nearest \$1,000.

Table 2. Distribution of OFCCP Monetary Relief by Class

Class	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Female	23.4%	29.4%	30.8%	42.6%	15.0%
Black	63.8%	38.6%	61.7%	46.0%	82.2%
Hispanic	2.4%	1.4%	0.2%	1.8%	2.7%
Asian/Pacific Islander	2.8%	7.5%	7.85	1.7%	0.0%
Native American	0.0%	0.0%	0.8%	0.4%	0.2%
Unknown Minority Group	0.0%	0.0%	0.0%	0.0%	0.3%
Disability	0.0%*	0.1%	0.0%*	0.0%*	0.0%*
Veteran	0.0%	0.0%*	0.0%*	0.0%*	0.0%*
Total Class Members	68,695	21,971	9,890	13,861	9,679

Source: Archived Department of Labor website, <https://web.archive.org/web/20250123181255/https://www.dol.gov/sites/dolgov/files/OFCCP/BTN/sheets/MonetaryReliefQ42024.xlsx>.

Notes: Percentages reflect the distribution of monetary relief across classes. "*" indicates that while the percentage of class members to the nearest tenth rounded to 0.0, there were between one to five beneficiaries in this class for a particular year, representing less than 0.05%. Percentages do not sum to 100% because classes are not mutually exclusive, and pay discrimination cases related to discussing compensation at work may not include any of the classes listed above.

As shown in **Table 2**, no more than 0.1% of the total monetary relief obtained by OFCCP in any given year from FY2020 to FY2024 went to individuals with disabilities or veterans, the two classes still protected under OFCCP's current authorities. The largest number of disabled beneficiaries (25 employees) occurred in FY2021, and the largest number of veteran beneficiaries (3 employees) occurred in FY2024.

Operations Since E.O. 14173

On January 24, 2025, the acting Secretary of Labor instructed OFCCP to stop all investigative and enforcement activity under the rescinded E.O. 11246 and to close all open or pending compliance audits. The order stated that open investigations and reviews involving disability and veteran protections were being "held in abeyance." A February 25, 2025, memo (link requires paid subscription) from the Acting Secretary of Labor stated that OFCCP will "focus its mission" and maintain a "limited field presence" for enforcement of Section 503 and VEVRAA.

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IF12941

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