

Increased EEOC Activity Expected in 2024



Market Outlook

The U.S. Equal Employment Opportunity Commission (EEOC) is a federal agency responsible for enforcing federal employment discrimination laws. The agency's goal is to advance workplace opportunity by enforcing these laws. The EEOC experienced several noteworthy changes in 2023, including new leadership, structural changes and an increased budget. It also multiplied its enforcement efforts; at the end of fiscal year (FY) 2023, **the agency reported a 52% increase in lawsuit filings from the previous year**. These efforts are likely to continue in 2024. As a result, employers must prepare now for increased EEOC activity by better understanding their legal obligations related to discrimination laws and proactively preventing workplace discrimination.

In 2023, the U.S. Senate confirmed Kalpana Kotagal as the newest EEOC commissioner, giving the Democrats the majority on the agency's five-member panel. This will likely allow current EEOC Chair Charlotte Burrows to move more quickly when enacting agency policies and deciding EEOC enforcement priorities.



In addition, there was a flurry of EEOC activity in 2023. For example, the commission's litigation activity reached a level that hasn't been seen in recent years—a signal that the EEOC is returning to prior levels of litigation activity. At the end of 2023, **the EEOC significantly increased the number of lawsuits it filed, including 67 in September**. This helped boost the total number of lawsuits the agency filed in 2023 to 143, representing a 52% increase from 2022. The number of lawsuits the EEOC filed in FY 2023 was the most it had filed in five years. Considering that the EEOC only filed three cases during the first four months of FY 2023, it provides employers with a likely preview of what to expect in 2024.

Employers can expect the EEOC to be even more active in 2024 than last year since **the agency received a 6% (or \$26 million) budget increase for FY 2024**, providing the EEOC with more resources for investigations, enforcement actions and lawsuits. Prudent employers need to take heed of these developments in 2024, especially after the EEOC issued a rare press release at the end of FY 2023 highlighting its increased litigation activity. EEOC Chair Burrows stated, "The EEOC's litigation program is an important tool to ensure compliance with the nation's anti-discrimination laws and promote equal employment opportunities when the commission is unable to obtain voluntary compliance." Much of the agency's litigation efforts in FY 2023 were focused on the subject matter addressed in its recently published guidance.

With this increased activity, it's vital that employers prioritize compliance with federal employment laws. Organizations can minimize their exposure to EEOC's increasing enforcement actions by remaining compliant with federal laws, training managers and employees, reviewing workplace policies and handbooks, and staying informed about the agency's strategies. Employers should consider focusing on practices that may expose them to liability, such as systemic lawsuits, and subjects on which the agency has recently published guidance.