

United States Senate

WASHINGTON, DC 20510

May 29, 2018

The Honorable Gene L. Dodaro
Comptroller General of the United States
Government Accountability Office
441 G St., N.W.
Washington, D.C. 20548

Dear Mr. Dodaro:

As recent media reports have made abundantly clear, far too many U.S. workers continue to suffer from sexual harassment in their workplaces, resulting in substantial costs to our nation's economy and workforce. However, the extent of this discrimination and the magnitude of its detrimental economic effect on the labor force have not been fully quantified. Earlier this year, 22 Senators wrote to the Secretary of Labor and the Acting Commissioner of the Bureau of Labor Statistics (BLS) to urge BLS to collect data on the economic costs of sexual harassment in the workforce, as its current data are insufficient to conduct an analysis of such costs. While employers tend to focus on direct costs to a business, such as legal fees or settlement amounts, the true cost of sexual harassment includes indirect costs such as decreased productivity, increased turnover, and reputational harm. All of this is an impediment to employee performance and employers' bottom-lines.

Each year, workers in the U.S. file thousands of sexual harassment claims against their employers with the Equal Employment Opportunity Commission (EEOC), which is tasked with enforcing federal civil rights laws, including hearing and deciding on sexual harassment complaints brought by workers against their employers. In 2016, the EEOC reported that since 2010, employers had paid out nearly \$700 million to employees through EEOC's administrative enforcement pre-litigation process alone.¹ This figure does not include millions more paid by employers to employees after EEOC filed successful lawsuits for harassment. While EEOC does not collect comparable cost data with respect to sexual harassment in various federal agencies, in March of 2018, the U.S. Merit Systems Protection Board (MSPB) reported that one in seven federal employees had experienced sexual harassment behaviors in the preceding two years.² Although this most recent report did not include information on the economic consequences of sexual harassment, a 1994 MSPB estimate placed those costs at approximately \$327.1 million to the federal government alone. The federal government is the largest and most diverse workforce in the

¹ U.S. Equal Opportunity Employment Commission, *Select Task Force on the Study of Harassment in the Workforce*, (Washington, D.C.: June 2016).

² U.S. Merit Systems Protection Board, *Update on Sexual Harassment in the Federal Workplace*, (Washington, D.C.: March 2018).

country, and it is safe to assume that the current costs to the federal government from sexual harassment are even more considerable.³

Accordingly, we respectfully request that GAO investigate the economic effect of this pervasive problem on our nation's workforce and on the U.S. economy. Specifically, we are interested in learning the following:

- 1) What is known about the prevalence of sexual harassment and its economic effect on the U.S. economy and federal workforce?
- 2) How does EEOC track and compile data on the prevalence and costs of sexual harassment in the workplace?
- 3) What actions do experts recommend in order to improve understanding of the costs and prevalence of sexual harassment to the U.S. economy?

We look forward to working with GAO on these important questions. Please contact Keith Castaldo (keith_castaldo@gillibrand.senate.gov or (202) 224-4451) with any questions. Thank you for your attention to our request.

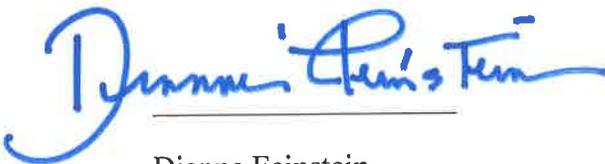
Sincerely,



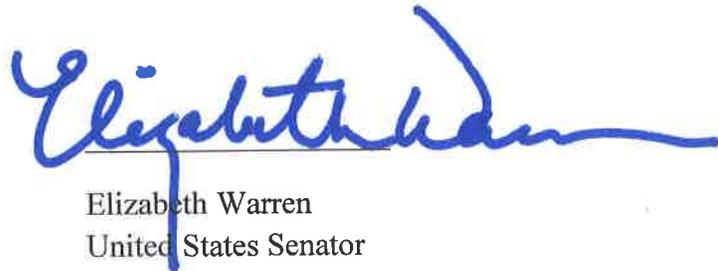
Kirsten Gillibrand
United States Senator



Patty Murray
United States Senator



Dianne Feinstein
United States Senator



Elizabeth Warren
United States Senator

³ In a survey conducted nearly 25 years ago (the most recent survey conducted by MSPB prior to 2018), the MSPB conservatively estimated that the combined costs of sexual harassment to the federal government totaled approximately \$327 million over the previous two years. U.S. Merit Systems Protection Board, *Sexual Harassment in the Federal Workplace: Trends, Progress, Continuing Challenges* (Washington, D.C.: 1994).