

EPA-APPROVED MISSOURI REGULATIONS—Continued

Missouri citation	Title	State effective date	EPA approval date	Explanation
10-6.062	Construction Permits by Rule	7/30/2022	8/4/2023, [insert <b>Federal Register</b> citation].	

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[FR Doc. 2023-15848 Filed 8-3-23; 8:45 am]

BILLING CODE 6560-50-P

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 52**

[EPA-R04-OAR-2021-0618; FRL-9242-02-R4]

**Air Plan Approval; North Carolina; Volatile Organic Compound Regulations**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is finalizing the approval of a State Implementation Plan (SIP) revision to the North Carolina SIP, submitted by the State of North Carolina through the North Carolina Department of Environmental Quality (NCDEQ), Division of Air Quality (NCDAQ), via a letter dated April 13, 2021. This SIP revision updates several NCDEQ air regulations which apply to sources that emit volatile organic compounds (VOC).

**DATES:** This rule is effective September 8, 2023.

**ADDRESSES:** EPA has established a docket for this action under Docket Identification No. EPA-R04-OAR-2021-0618. All documents in the docket are listed on the *regulations.gov* website. Although listed in the index, some information may not be publicly available, *i.e.*, Confidential Business Information or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically through *www.regulations.gov* or in hard copy at the Air Regulatory Management Section, Air Planning and Implementation Branch, Air and Radiation Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW, Atlanta, Georgia 30303-8960. EPA requests that

if at all possible, you contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section to schedule your inspection. The Regional Office's official hours of business are Monday through Friday 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Jane Spann, Air Regulatory Management Section, Air Planning and Implementation Branch, Air and Radiation Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW, Atlanta, Georgia 30303-8960. Ms. Spann can be reached via electronic mail at *spann.jane@epa.gov* or via telephone at (404) 562-9029.

**SUPPLEMENTARY INFORMATION:**

**I. What action is EPA proposing to take?**

EPA is finalizing the approval of changes to North Carolina's SIP that were provided to EPA through NCDAQ via a letter dated April 13, 2021.<sup>1</sup> Specifically, EPA is approving changes to 15A North Carolina Administrative Code (NCAC) Subchapter 02D, Section .0900, *Volatile Organic Compounds* (hereinafter referred to as Section .0900).<sup>2</sup> The April 13, 2021, revision to the North Carolina SIP transmits a few substantive changes and a number of changes that do not alter the meaning of the regulations, such as clarifying changes, updated cross-references, and several ministerial language changes. In addition, other changes include adding, deleting, and editing definitions and adding SIP-strengthening language.

North Carolina's Section .0900 rules regulate sources that emit greater than or equal to 15 pounds of VOC per day, unless otherwise specified in Section .0900. Most of the SIP changes to Section .0900 are ministerial and formatting changes, with clarifying

<sup>1</sup> EPA notes that the submittal was received through the State Planning Electronic Collaboration System (SPeCS) on April 14, 2021. For clarity, this notice will refer to the submittal by the date on the cover letter, which is April 13, 2021.

<sup>2</sup> EPA notes that the Agency received several submittals revising the North Carolina SIP that were transmitted with the same April 13, 2021, cover letter. EPA has considered and will be considering action for these other SIP revisions in separate rulemakings.

changes throughout. Specifically, EPA is approving changes to Rules .0901, *Definitions*; .0902, *Applicability*; .0903, *Recordkeeping; Reporting; Monitoring*; .0906, *Circumvention*; .0909, *Compliance Schedules for Sources in Ozone Nonattainment and Maintenance Areas*; .0912, *General Provisions on Test Methods and Procedures*; .0918, *Can Coating*; .0919, *Coil Coating*; .0922, *Metal Furniture Coatings*; .0923, *Surface Coating of Large Appliance Parts*; .0924, *Magnet Wire Coating*; .0925, *Petroleum Liquid Storage in Fixed Roof Tanks*; .0928, *Gasoline Service Stations Stage 1*; .0930, *Solvent Metal Cleaning*; .0931, *Cutback Asphalt*; .0933, *Petroleum Liquid Storage in External Floating Roof Tanks*; .0935, *Factory Surface Coating of Flat Wood Paneling*; .0937, *Manufacture of Pneumatic Rubber Tires*; .0943, *Synthetic Organic Chemical and Polymer Manufacturing*; .0944, *Manufacture of Polyethylene; Polypropylene and Polystyrene*; .0945, *Petroleum Dry Cleaning*; .0947, *Manufacture of Synthesized Pharmaceutical Products*; .0948, *VOC Emissions from Transfer Operations*; .0949, *Storage of Miscellaneous Volatile Organic Compounds*; .0951, *RACT For Sources of Volatile Organic Compounds*; .0955, *Thread Bonding Manufacturing*; .0956, *Glass Christmas Ornament Manufacturing*; .0957, *Commercial Bakeries*; .0961, *Offset Lithographic Printing and Letterpress Printing*; .0962, *Industrial Cleaning Solvents*; .0963, *Fiberglass Boat Manufacturing Materials*; .0964, *Miscellaneous Industrial Adhesives*; .0965, *Flexible Package Printing*; .0966, *Paper, Film and Foil Coatings*; .0967, *Miscellaneous Metal and Plastic Parts Coatings*; and .0968, *Automobile and Light Duty Truck Assembly Coatings*.<sup>3</sup>

Through a notice of proposed rulemaking (NPRM), published on June 13, 2023, EPA proposed to approve North Carolina's April 13, 2021, submission. The proposed changes included various ministerial and minor changes to language and other clarifying changes throughout North Carolina's

<sup>3</sup> Hereinafter, the North Carolina Rules will be identified by "Rule" and the accompanying number, *e.g.*, Rule .0901.

rules in 02D Section .0900, *Volatile Organic Compounds*. The details of North Carolina's submission, as well as EPA's rationale for approving the changes, are described in more detail in the June 13, 2023, NPRM. See 88 FR 38441. Comments on the June 13, 2023, NPRM were due on or before July 13, 2023. No comments were received on the June 13, 2023, NPRM.

## II. Incorporation by Reference

In this document, EPA is finalizing regulatory text that includes incorporation by reference. In accordance with the requirements of 1 CFR 51.5, and as discussed in Section I of this preamble, EPA is finalizing the incorporation by reference 15A NCAC Subchapter 02D Rules .0901, *Definitions*; .0902, *Applicability*, with the exception of paragraph .0902(d)(2) and the reference in paragraph .0902(c) to paragraph .0902(d)(2); .0903, *Recordkeeping; Reporting; Monitoring*; .0906, *Circumvention*; .0909, *Compliance Schedules for Sources in Ozone Nonattainment and Maintenance Areas*; .0912, *General Provisions on Test Methods and Procedures*; .0918, *Can Coating*; .0919, *Coil Coating*; .0922, *Metal Furniture Coatings*; .0923, *Surface Coating of Large Appliance Parts*; .0924, *Magnet Wire Coating*; .0925, *Petroleum Liquid Storage in Fixed Roof Tanks*; .0928, *Gasoline Service Stations Stage 1*; .0930, *Solvent Metal Cleaning*; .0931, *Cutback Asphalt*; .0933, *Petroleum Liquid Storage in External Floating Roof Tanks*; .0935, *Factory Surface Coating of Flat Wood Paneling*; .0937, *Manufacture of Pneumatic Rubber Tires*; .0943, *Synthetic Organic Chemical and Polymer Manufacturing*; .0944, *Manufacture of Polyethylene: Polypropylene and Polystyrene*; .0945, *Petroleum Dry Cleaning*; .0947, *Manufacture of Synthesized Pharmaceutical Products*; .0948, *VOC Emissions from Transfer Operations*; .0949, *Storage of Miscellaneous Volatile Organic Compounds*; .0951, *RACT for Sources of Volatile Organic Compounds*; .0955, *Thread Bonding Manufacturing*; .0956, *Glass Christmas Ornament Manufacturing*; .0957, *Commercial Bakeries*; .0961, *Offset Lithographic Printing and Letterpress Printing*; .0962, *Industrial Cleaning Solvents*; .0963, *Fiberglass Boat Manufacturing Materials*; .0964, *Miscellaneous Industrial Adhesives*; .0965, *Flexible Package Printing*; .0966, *Paper, Film and Foil Coatings*; .0967, *Miscellaneous Metal and Plastic Parts Coatings*; and .0968, *Automobile and Light Duty Truck Assembly Coatings*. These regulations were state effective on November 1, 2020. EPA has made, and

will continue to make, these materials generally available through [www.regulations.gov](http://www.regulations.gov) and at the EPA Region 4 Office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information). Therefore, these materials have been approved by EPA for inclusion in the SIP, have been incorporated by reference by EPA into that plan, are fully federally enforceable under sections 110 and 113 of the CAA as of the effective date of the final rulemaking of EPA's approval, and will be incorporated by reference in the next update to the SIP compilation.<sup>4</sup>

## III. Final Action

EPA is finalizing the approval of the April 13, 2021, SIP revision to incorporate various changes to North Carolina's VOC air provisions into the SIP. Specifically, EPA is approving various ministerial and minor changes to language and other clarifying changes throughout North Carolina's rules in 02D Section .0900, *Volatile Organic Compounds*. EPA is approving these changes because they are consistent with the CAA.

## IV. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable Federal regulations. See 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. This action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 14094 (88 FR 21879, April 11, 2023);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described

in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4);

- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not subject to Executive Order 13045 (62 FR 19885, April 23, 1997) because it approves a state program;
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001); and
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA.

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

Executive Order 12898 (Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations, 59 FR 7629, February 16, 1994) directs Federal agencies to identify and address "disproportionately high and adverse human health or environmental effects" of their actions on minority populations and low-income populations to the greatest extent practicable and permitted by law. EPA defines environmental justice (EJ) as "the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies." EPA further defines the term fair treatment to mean that "no group of people should bear a disproportionate burden of environmental harms and risks, including those resulting from the negative environmental consequences of industrial, governmental, and commercial operations or programs and policies."

NCDAQ did not evaluate EJ considerations as part of its SIP submittal; the CAA and applicable implementing regulations neither prohibit nor require such an evaluation. EPA did not perform an EJ analysis and did not consider EJ in this action. Due to the nature of the action being taken here, this action is expected to have a neutral to positive impact on the air quality of the affected area. Consideration of EJ is not required as

<sup>4</sup> See 62 FR 27968 (May 22, 1997).

part of this action, and there is no information in the record inconsistent with the stated goal of E.O. 12898 of achieving EJ for people of color, low-income populations, and Indigenous peoples.

This action is subject to the Congressional Review Act, and EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by October 3, 2023. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. See section 307(b)(2).

**List of Subjects in 40 CFR Part 52**

Environmental protection, Air pollution control, Carbon monoxide, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

**Jeananne Gettle,**

*Acting Regional Administrator, Region 4.*

For the reasons stated in the preamble, EPA amends 40 CFR part 52 as follows:

**PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS**

■ 1. The authority citation for part 52 continues to read as follows:

**Authority:** 42 U.S.C. 7401 *et seq.*

**Subpart II—North Carolina**

■ 2. In § 52.1770(c), amend table 1 by removing the entries for “Section .0901,” “Section .0902,” “Section .0903,” “Section .0906,” “Section .0909,” “Section .0912,” “Section .0918,” “Section .0919,” “Section .0922,” “Section .0923,” “Section .0924,” “Section .0925,” “Section

.0928,” “Section .0930,” “Section .0931,” “Section .0933,” “Section .0935,” “Section .0937,” “Section .0943,” “Section .0944,” “Section .0945,” “Section .0947,” “Section .0948,” “Section .0949,” “Section .0951,” “Section .0955,” “Section .0956,” “Section .0957,” “Section .0961,” “Section .0962,” “Section .0963,” “Section .0964,” “Section .0965,” “Section .0966,” “Section .0967,” and “Section .0968;” and adding in their place entries for “Rule .0901,” “Rule .0902,” “Rule .0903,” “Rule .0906,” “Rule .0909,” “Rule .0912,” “Rule .0918,” “Rule .0919,” “Rule .0922,” “Rule .0923,” “Rule .0924,” “Rule .0925,” “Rule .0928,” “Rule .0930,” “Rule .0931,” “Rule .0933,” “Rule .0935,” “Rule .0937,” “Rule .0943,” “Rule .0944,” “Rule .0945,” “Rule .0947,” “Rule .0948,” “Rule .0949,” “Rule .0951,” “Rule .0955,” “Rule .0956,” “Rule .0957,” “Rule .0961,” “Rule .0962,” “Rule .0963,” “Rule .0964,” “Rule .0965,” “Rule .0966,” “Rule .0967,” and “Rule .0968.”

The amendment reads as follows:

**§ 52.1770 Identification of plan.**

\* \* \* \* \*  
(c) \* \* \*

**(1) EPA APPROVED NORTH CAROLINA REGULATIONS**

State citation	Title/subject	State effective date	EPA approval date	Explanation
* * *				
<b>Section .0900 Volatile Organic Compounds</b>				
Rule .0901	Definitions	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0902	Applicability	11/1/2020	8/4/2023, [Insert citation of publication].	Except for paragraph .0902(d)(2) and the reference to paragraph .0902(d)(2) found in .0902(c).
Rule .0903	Recordkeeping: Reporting: Monitoring ..	11/1/2020	8/4/2023, [Insert citation of publication].	
* * *				
Rule .0906	Circumvention	11/1/2020	8/4/2023, [Insert citation of publication].	
* * *				
Rule .0909	Compliance Schedules for Sources in Ozone Nonattainment and Maintenance Areas.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0912	General Provisions on Test Methods and Procedures.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0918	Can Coating	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0919	Coil Coating	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0922	Metal Furniture Coatings	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0923	Surface Coating of Large Appliance Parts.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0924	Magnet Wire Coating	11/1/2020	8/4/2023, [Insert citation of publication].	

## (1) EPA APPROVED NORTH CAROLINA REGULATIONS—Continued

State citation	Title/subject	State effective date	EPA approval date	Explanation
Rule .0925 .....	Petroleum Liquid Storage in Fixed Roof Tanks.	11/1/2020	8/4/2023, [Insert citation of publication].	
*	*	*	*	*
Rule .0928 .....	Gasoline Service Stations Stage 1 .....	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0930 .....	Solvent Metal Cleaning .....	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0931 .....	Cutback Asphalt .....	11/1/2020	8/4/2023, [Insert citation of publication].	
*	*	*	*	*
Rule .0933 .....	Petroleum Liquid Storage in External Floating Roof Tanks.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0935 .....	Factory Surface Coating of Flat Wood Paneling.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0937 .....	Manufacture of Pneumatic Rubber Tires.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0943 .....	Synthetic Organic Chemical and Polymer Manufacturing.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0944 .....	Manufacture of Polyethylene: Polypropylene and Polystyrene.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0945 .....	Petroleum Dry Cleaning .....	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0947 .....	Manufacture of Synthesized Pharmaceutical Products.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0948 .....	VOC Emissions from Transfer Operations.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0949 .....	Storage of Miscellaneous Volatile Organic Compounds.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0951 .....	RACT for Sources of Volatile Organic Compounds.	11/1/2020	8/4/2023, [Insert citation of publication].	
*	*	*	*	*
Rule .0955 .....	Thread Bonding Manufacturing .....	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0956 .....	Glass Christmas Ornament Manufacturing.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0957 .....	Commercial Bakeries .....	11/1/2020	8/4/2023, [Insert citation of publication].	
*	*	*	*	*
Rule .0961 .....	Offset Lithographic Printing and Letterpress Printing.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0962 .....	Industrial Cleaning Solvents .....	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0963 .....	Fiberglass Boat Manufacturing Materials.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0964 .....	Miscellaneous Industrial Adhesives .....	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0965 .....	Flexible Package Printing .....	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0966 .....	Paper, Film and Foil Coatings .....	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0967 .....	Miscellaneous Metal and Plastic Parts Coatings.	11/1/2020	8/4/2023, [Insert citation of publication].	
Rule .0968 .....	Automobile and Light Duty Truck Assembly Coatings.	11/1/2020	8/4/2023, [Insert citation of publication].	
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[FR Doc. 2023-16600 Filed 8-3-23; 8:45 am]

BILLING CODE 6560-50-P

**DEPARTMENT OF LABOR****Office of Federal Contract Compliance Programs****41 CFR Parts 60-1, 60-2, 60-4, 60-20, 60-30, 60-40, 60-50, 60-300, and 60-741**

RIN 1250-AA14

**Pre-enforcement Notice and Conciliation Procedures****AGENCY:** Office of Federal Contract Compliance Programs, Labor.**ACTION:** Final rule.

**SUMMARY:** The U.S. Department of Labor publishes this final rule to modify procedures and standards the Office of Federal Contract Compliance Programs (“OFCCP” or “the agency”) uses when issuing pre-enforcement notices and securing compliance through conciliation. This final rule strengthens OFCCP’s enforcement by rescinding the evidentiary standards and definitions codified in 2020 (“the 2020 rule”), which hindered the agency’s ability to pursue meritorious cases. OFCCP is instituting a streamlined, effective, and flexible pre-enforcement and conciliation process that promotes greater consistency with Title VII of the Civil Rights Act of 1964 (“Title VII”).

**DATES:** These regulations are effective September 5, 2023.

**FOR FURTHER INFORMATION CONTACT:** Tina Williams, Director, Division of Policy and Program Development, Office of Federal Contract Compliance Programs, 200 Constitution Avenue NW, Room C-3325, Washington, DC 20210. Telephone: (202) 693-0103 or toll free at 1-800-397-6251. If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

**SUPPLEMENTARY INFORMATION:****I. Legal Authority**

OFCCP administers and enforces Executive Order 11246, as amended (“E.O. 11246”); Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 793 (“Section 503”); and the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212 (“VEVRAA”), as well as their implementing regulations. Issued in 1965, and amended several times in the intervening years, E.O. 11246 has two principal purposes. First, it

prohibits covered Federal contractors and subcontractors<sup>1</sup> from discriminating against employees and applicants because of race, color, religion, sex, sexual orientation, gender identity, national origin, or because they inquire about, discuss, or disclose their compensation or that of others, subject to certain limitations.<sup>2</sup> Second, it requires covered contractors to take affirmative action to ensure equal employment opportunity.

The requirements in E.O. 11246 generally apply to any business or organization that (1) holds a single Federal contract, subcontract, or federally assisted construction contract in excess of \$10,000; (2) has Federal contracts or subcontracts that, when combined, total in excess of \$10,000 in any 12-month period; or (3) holds Government bills of lading, serves as a depository of Federal funds, or is an issuing and paying agency for U.S. savings bonds and notes in any amount. Supply and service contractors with 50 or more employees and a single Federal contract or subcontract of \$50,000 or more also must develop and maintain an affirmative action program that complies with 41 CFR part 60-2. Construction contractors have different affirmative action requirements under E.O. 11246, codified at 41 CFR part 60-4.

Enacted in 1973 and amended since, the purpose of Section 503 is twofold. First, Section 503 prohibits employment discrimination on the basis of disability by Federal contractors. Second, it requires each covered Federal contractor to take affirmative action to employ and advance in employment qualified individuals with disabilities. The requirements in Section 503 generally apply to any business or organization that holds a single Federal contract or subcontract in excess of \$15,000.<sup>3</sup>

<sup>1</sup> Hereinafter, the terms “contractor” or “Federal contractor” are used to refer collectively to Federal contractors and subcontractors that fall under OFCCP’s authority, unless otherwise expressly stated. This approach is consistent with OFCCP’s regulations, which define “contract” to include subcontracts and “contractor” to include subcontractors.

<sup>2</sup> The nondiscrimination protections and standards under E.O. 11246 are interpreted consistently with those under Title VII of the Civil Rights Act of 1964 (“Title VII”). See *OFCCP v. Greenwood Mills, Inc.*, Nos. 00-044, 01-089, 2002 WL 31932547, at \*4 (ARB Final Decision & Order Dec. 20, 2002) (“The legal standards developed under Title VII of the Civil Rights Act of 1964 apply to cases brought under [E.O. 11246].”).

<sup>3</sup> Effective October 1, 2010, the coverage threshold under Section 503 increased from \$10,000 to \$15,000, in accordance with the inflationary adjustment requirements in 41 U.S.C. 1908. See *Federal Acquisition Regulation; Inflation Adjustment of Acquisition-Related Thresholds*, 75 FR 53129 (Aug. 30, 2010).

Pursuant to Section 503, contractors with 50 or more employees and a single Federal contract or subcontract of \$50,000 or more also must develop and maintain an affirmative action program that complies with 41 CFR part 60-741, subpart C.

Enacted in 1974 and amended in the intervening years, VEVRAA prohibits Federal contractors from discriminating against employees and applicants because of their status as protected veterans (defined by the statute to include disabled veterans, recently separated veterans, Armed Forces Service Medal Veterans, and active duty wartime or campaign badge veterans). It also requires each covered contractor to take affirmative action to employ and advance in employment these veterans. The requirements in VEVRAA generally apply to any business or organization that holds a single Federal contract or subcontract in excess of \$150,000.<sup>4</sup> Pursuant to VEVRAA, contractors with 50 or more employees and a single Federal contract or subcontract of \$150,000 or more also must develop and maintain an affirmative action program that complies with 41 CFR part 60-300, subpart C.

Pursuant to these authorities, receiving a Federal contract comes with a number of responsibilities. Contractors are required to comply with all provisions of these authorities as well as the rules, regulations, and relevant orders of the Secretary of Labor. Where OFCCP finds noncompliance under any of the three authorities or their implementing regulations, it utilizes established procedures to either facilitate resolution or proceed to administrative enforcement as necessary to secure compliance. A contractor found in violation that fails to correct violations of OFCCP’s regulations may, after the opportunity for a hearing, have its contracts canceled, terminated, or suspended and/or may be subject to debarment.

**II. Summary of Relevant Background**

This final rule, like the 2020 rule it modifies, focuses almost entirely on OFCCP’s pre-enforcement resolution procedures. This includes the processes by which the agency notifies Federal contractors of the agency’s findings during the compliance evaluations it conducts, and how the agency seeks to conciliate matters in which it finds a

<sup>4</sup> Effective October 1, 2015, the coverage threshold under VEVRAA increased from \$100,000 to \$150,000, in accordance with the inflationary adjustment requirements in 41 U.S.C. 1908. See *Federal Acquisition Regulation; Inflation Adjustment of Acquisition-Related Thresholds*, 80 FR 38293 (July 2, 2015).