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Federal Judge Blocks Executive Orders on Diversity, Equity, and Inclusion (DEI) Programs Impacting Higher Education

Client Alert

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On February 21, 2025, a federal court issued a preliminary injunction blocking President Donald Trump's executive orders aimed at withholding federal funds for certain entities that maintained "unlawful" diversity, equity, and inclusion (DEI) programs. The ruling halts the administration's efforts to end federal contracts or grants deemed "equity-related," as well as mandates requiring contractors to certify that they do not promote DEI initiatives.

Key Developments:

- Preliminary Injunction Granted: The Court's decision prevents the Trump administration from terminating or altering federal contracts linked to DEI efforts.
- Potential Constitutional Violations: The Court expressed concerns that the executive orders may be "unconstitutionally vague on their face", and violate other constitutional protections, particularly the First Amendment's free-speech rights.

Background:

- Trump's Executive Orders: On his first day in office, President Trump signed an order directing federal agencies to eliminate all contracts or grants related to DEI. A subsequent order required federal contractors to affirm that they do not promote DEI.
- **Court's Ruling:** The Court's preliminary injunction effectively puts a hold on these actions, while the case proceeds through the courts. The ruling suggests that the plaintiffs have a strong likelihood of success on their constitutional claims.

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Implications for Federal Contractors:

• **Immediate Impact:** The injunction halts the administration's efforts to enforce DEI-related contract changes, giving federal contractors some breathing room while legal battles continue.

Next Steps:

• **Review Contracts and Policies:** Federal contractors and organizations should review their internal policies and contracts related to DEI to assess potential risks or changes based on future court rulings as well as under existing legal precedent.

This ruling marks a significant legal development in the ongoing debate over the role of DEI programs in federal policy and contracting. Clients should consult with legal counsel to understand the full implications for their operations and compliance requirements.

For further questions or assistance, please do not hesitate to reach out to our Butzel team.

Brett Miller

313.225.5316 millerbr@butzel.com

