News & Insights

Director of OFCCP Takes Strong Anti-DEI Stance and Outlines Plan to Implement President Trump's Agenda

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On March 24, 2025, the U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) announced that Catherine Eschbach was appointed as the new director. In a communication to her OFCCP colleagues, Director Eschbach emphasized her commitment to implementing President Trump's recent executive orders and explained her stance regarding federal contractor affirmative action and what she referred to as unlawful DEI plans and policies.

In the wake of President Trump rescinding Executive Order 11246, and the subsequent injunction on President Trump's executive orders being lifted in mid-March 2025 (the case is ongoing), Director Eschbach explicitly stated that the OFCCP "must also ensure that President Trump's policy priorities guide every action this agency takes moving forward." Accordingly, she set forth various areas in which the OFCCP will take action to implement the anti-DEI policies, including:

- Winding down unlawful DEI and affirmative action plans and practices within 90 days of the rescission of Executive Order 11246. As such, after April 21, 2025 (91 days after the rescission of Executive Order 11246), the OFCCP plans to "verify all federal contractors have wound down their use of affirmative action plans and implement all enforcement options to ensure President Trumps' executive order has been complied with." This may involve internal mechanisms as well as collaboration with other agencies that have enforcement authorities.
- Re-examining federal contractors' previously submitted affirmative action plans to determine if they "indicate the presence of longstanding unlawful discrimination" so the OFCCP can determine whether it is appropriate to undertake investigation and enforcement actions.

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- Deterring DEI programs or principles by identifying "potential civil compliance investigations" of publicly traded corporations, large non-profit associations, foundations with assets of \$500 million or more, state and local bar and medical associations, and institutions of higher education with endowments over \$1 billion.
- Examining statutory authority for any Section 503 (workers with disabilities) and VEVRAA (protected veterans) affirmative action investigations to ensure any enforcement actions by OFCCP are within the limits authorized by the statutes.
- Conducting an "autopsy" of OFCCP's actions and regulations, including examining the underlying authority of Executive Order 11246, past practices based on disparate impact, and documenting costs of compliance with Executive Order 11246.
- Conducting a reduction in force of the OFCCP as a whole.

Federal contractors and subcontractors are strongly encouraged to work with their counsel to ensure compliance with the administration's executive orders and agency guidance. For more information, please contact Patrick Busch, Amy Conway, Pat Konopka, Kelly Maxwell, April Petrosino, Bernadette Sargeant, Stephanie Scheck or the Stinson LLP contact with whom you regularly work.

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