

Insights, News & Events

FEDS HALT ALL AFFIRMATIVE ACTION ENFORCEMENT ACTIVITY: WHAT FEDERAL CONTRACTORS NEED TO KNOW

Insights
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Just days after President Trump issued an executive order dismantling the race and gender affirmative action obligations that have applied to federal contractors since the 1960s, the Labor Department announced on Friday that it was ceasing all pending investigations and enforcement activity. This means employers subject to pending cases, conciliation agreements, investigations, and complaints related to the now-rescinded Executive Order 11246 have now received a reprieve. What do federal contractors and subcontractors need to know about this development?

What Happened?

Acting Secretary of Labor Vince Micone **ordered** all OFCCP employees to cease and desist any and all investigative and enforcement activity under **the rescinded Executive Order 11246** and the regulations promulgated under it. His January 24 order applies to all DOL employees, including administrative law judges (ALJs) and review board members. According to Micone, "the department no longer has any authority under the rescinded Executive Order 11246 or its regulations."

What's Next?

- The Acting Secretary's order requires OFCCP officials to notify all federal contractors and subcontractors subject to open reviews or cases related to EO 11246 affirmative action obligations by January 31 that their reviews or cases are **closed**.

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- By January 31, the OFCCP must also notify federal contractors and subcontractors subject to open reviews or cases related to Section 503 (disability) or VEVRAA (veterans) matters that their cases are being **held in abeyance** “pending further guidance.”

What Should You Do?

- **Coordinate With Counsel:** If you are a federal contractor or subcontractor with an active case, conciliation agreement, investigation, or complaint related to race or gender affirmative action obligations, coordinate immediately with your FP attorney to determine your next steps.
- **Stay Tuned:** If you have an active case, conciliation agreement, investigation, or complaint related to disability or veteran status, stand by for more information from the agency. OFCCP released [a statement last week](#) that Section 503 and VEVRAA obligations “remain in effect” despite Trump’s executive order, so we expect further clarification shortly.
- **Keep Informed:** Make sure you understand the contours of Trump’s Executive Order by [reading our Insight here](#). And sign up to receive [Fisher Phillips’ insights](#) to stay up to date on the latest developments.
- **Continue Other Compliance Efforts:** Federal contractors and subcontractors continue to have obligations related to federal and state laws, such as EEO-1 and VETS-4212 filings, not to mention state pay data reporting requirements (including in California), as applicable. Continue to participate in these required compliance filings.

Conclusion

We will continue to monitor developments that impact your workplace and provide updates when warranted. Make sure you are subscribed to [Fisher Phillips’ Insight System](#) to get the most up-to-date information. For further information, contact the authors of this Insight, your Fisher Phillips attorney, or any attorney in our [Affirmative Action and Federal Contractor Compliance Practice Group](#).