

Executive Briefing

Latest Updates on the Trump Administration

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DEI: Trump Takes Aim at Diversity Initiatives

Two executive orders have important implications for diversity, equity and inclusion (DEI) efforts.

“Ending Radical and Wasteful Government DEI Programs and Preferencing” (Executive Order 14151), issued on January 20, 2025, requires federal agencies to terminate (i) discriminatory DEI mandates, programs and activities and (ii) all DEI offices and positions, and all “‘equity-related’ grants or contracts.”

“Ending Illegal Discrimination and Restoring Merit-Based Opportunity” (Executive Order 14173), issued on January 21, 2025, requires the termination of “all discriminatory and illegal preferences, mandates, policies, programs, activities, guidance, regulations, enforcement actions, consent orders and requirements” in executive departments and agencies. It also rescinds former President Lyndon Johnson’s Executive Order 11246, which required federal contractors to develop and implement affirmative action plans to identify and address underrepresentation based on sex or race.

Now, as a condition for federal funding, each federal grantee or contractor must certify (i) compliance with all federal anti-discrimination laws and (ii) that the grantee or contractor does not maintain any DEI programs in violation of federal anti-discrimination laws. Notably, this executive order also directs the attorney general to “encourage the private sector to end illegal discrimination.”

Agency heads must submit a report identifying (i) “the most egregious and discriminatory DEI practitioners” in key sectors of concern, (ii) strategies to end “illegal DEI discrimination” — including litigation and regulatory action — and (iii) up to nine potential compliance investigations.

President Trump’s appointment of Andrea Lucas — a vocal critic of corporate DEI initiatives — as the acting chair of the Equal Employment Opportunity Commission (EEOC) further shows that scrutinizing corporate DEI efforts will be a priority. Commissioner Lucas stated that her priorities include “rooting out unlawful DEI-motivated race and sex discrimination.”

On January 27, 2025, President Trump terminated two EEOC commissioners appointed by former President Joe Biden. Those terminations are expected to be challenged. In the near term, the EEOC may act on Commissioner Lucas’ priorities.

Moving forward, federal contractors must cease existing affirmative action based on sex or race and should closely evaluate all their DEI programs to ensure they can certify compliance with federal anti-discrimination law. And with continued pressure from activist organizations and shareholders in addition to the Trump administration, all employers should expect increased scrutiny. As a result, at a minimum, they should review their DEI programs for legal compliance.

Finally, all employers, and especially public companies, should review the language they use to communicate their DEI and equal opportunity messages.