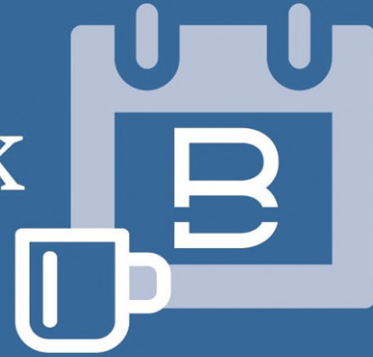


# The Work Week

Bassford Remele Employment Practice Group



**April 14, 2025**

Welcome to another edition of *The Work Week with Bassford Remele*. Each Monday morning, we will publish and send a new article to your inbox to hopefully assist you in jumpstarting your work week.

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## **Portions of Executive Orders Restricting DEI Efforts Among Federal Contractors and Grant Recipients Remain Blocked for Now**

[Michael J. Pfau](#)

The U.S. District Court for the Northern District of Illinois extended a temporary restraining order (TRO) prohibiting enforcement of portions of Executive Orders 14151 and 14173, two of President Trump's first directives seeking to eliminate Diversity, Equity, and Inclusion (DEI) by requiring federal contractors or grant recipients from certifying that they don't operate any programs in violation of Trump's anti-DEI executive orders.

In *Chicago Women in Trades v. Trump et. al*, the court initially blocked portions of the executive orders on March 26, 2025. Specifically, the court enjoined the Department of Labor (DOL) from enforcing two discrete portions of the Executive Orders: (1) Section 2(b)(i) of EO 14151, authorizing the agency to terminate a government contract or grant based on the awardee's alleged DEI-related activities; and (2) Section 3(b)(iv) of EO 14173, requiring federal contractors and grant recipients to certify that they do not operate any program promoting unlawful DEI.

A hearing was held on April 10, 2025 on whether to grant a preliminary injunction, further pausing the provisions until the matter can make its way through the court. The court took it under advisement and extended the TRO through April 17, 2025.

The injunction against the termination provision is narrow in that it applies only to the plaintiff, Chicago Women in Trades, a nonprofit organization focused on advancing women's rights in the workplace. Specifically, the TRO blocks the DOL from taking any adverse action related to any contracts with the plaintiff. The TRO further forbids the federal government from initiating any enforcement action against the plaintiff. The TRO does carry nationwide implications because the DOL is prohibited from requiring

any contractor or grant recipient to make any certification or other representation pursuant to the terms of the EO14173.

### ***Overview of the Executive Orders***

Executive Order 14151, signed by President Trump in January 2025, is titled *“Ending Radical and Wasteful Government DEI Programs and Preferencing.”* The order directs federal agencies to terminate all diversity, equity, and inclusion (DEI) programs, offices, contracts, grants, and training initiatives across the federal government. It mandates the identification and elimination of DEI-related roles, policies, and content, asserting that such programs are divisive, ideologically driven, and inconsistent with merit-based governance.

Executive Order 14173, also signed by President Trump in January 2025, is titled *“Ending Illegal Discrimination and Restoring Merit-Based Opportunity.”* Building on EO 14151, this order directs federal agencies to dismantle any policies, programs, or contracting preferences based on race, sex, or other protected characteristics. It explicitly calls for the elimination of affirmative action requirements and instructs agencies to investigate and report on any race- or gender-conscious practices in federal operations and contracting.

### ***What this Means for Federal Contractors and Grant Recipients***

It remains unseen whether the relevant portions will eventually be authorized. If fully implemented, they could bring sweeping changes for federal contractors—particularly around compliance, labor standards, and business eligibility.

Federal agencies are now required to assess contractors’ compliance with the new mandates, potentially disqualifying those maintaining DEI-related policies. Contractors must review and possibly revise their internal policies to align with the new federal directives, eliminating DEI programs and practices that may be deemed non-compliant. Maintaining DEI initiatives could expose contractors to legal challenges or financial penalties, including potential liability under the False Claims Act if such policies are considered discriminatory. Organizations may need to restructure training programs, hiring practices, and employee resource groups to ensure adherence to the new federal standards. Failing to comply could impact whether federal contractors are awarded contracts or organizations are awarded grants.

These laws are still developing as they make their way through the courts. In the meantime, the [Bassford Remele Employment Group](#) can guide federal contractors in ensuring compliance with these executive orders and provide ongoing advice as these laws further develop. Please reach out with any questions.

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