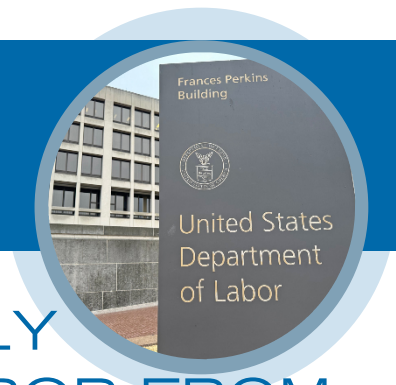


LEGAL ALERT

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DISTRICT COURT TEMPORARILY BLOCKS DEPARTMENT OF LABOR FROM ENFORCING CERTAIN PROVISIONS OF DEI- RELATED EXECUTIVE ORDERS

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On March 27, 2025, Judge Matthew Kennelly of the U.S. District Court for the Northern District of Illinois issued a temporary restraining order blocking the Department of Labor from enforcing certain provisions of [Executive Orders 14173](#) and [14151](#), both of which limited or prohibited federal grants or programs relating to “illegal,” “unlawful,” and “immoral” diversity, equity, and inclusion (“DEI”). The plaintiff in the case, Chicago Women in Trades (“CWIT”), is a non-profit organization that prepares women to enter and remain in skilled trades and that receives federal funding from the Department of Labor. CWIT’s lawsuit challenged the DEI-related Executive Orders on various grounds, including that the Orders violate CWIT’s rights under the First and Fifth Amendments to the Constitution. CWIT requested a temporary restraining order preventing the enforcement of the Executive Orders and alleging that their enforcement would cause it irreparable harm.

Judge Kennelly found that the provision of EO 14173 requiring federal contractors and grant recipients to certify that they do not operate any programs “promoting DEI that violate any applicable Federal anti-discrimination laws,” likely violates the First Amendment of the U.S. Constitution and that its enforcement would cause irreparable harm to the plaintiff. Judge Kennelly’s ruling with respect to the certification provision of EO 14173 applies only to contracts and grants issued by the Department of Labor and not to all federal agencies.

Additionally, the ruling restricts the Department of Labor from enforcing the provision of EO 14151 requiring agencies to terminate grants and contracts with agencies that promote DEI, but only with respect to CWIT and not to any other federal contractors or grantees.

WHAT IS NEXT?

The District Court in Illinois will next determine whether to issue a preliminary injunction which could extend the restrictions on the Department of Labor while the case is pending before the court. A hearing will be held on April 10, 2025 on the preliminary injunction, and a ruling can be expected shortly thereafter. Less than two weeks ago in a similar case, the [Fourth Circuit Court of Appeals granted the government’s request to stay](#)

[a nationwide preliminary injunction](#) that had blocked the same provisions of the Executive Orders allowing the government to enforce the Executive Orders while the appeal is pending. The government may file a similar request in the CWIT case. Hahn Loeser & Parks will continue to monitor this issue and provide updates as they become available.

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Executive Order 14173 is subject to litigation, and it is expected that the Office of Federal Contract Compliance Programs will likely introduce guidance interpreting the Order, which is subject to change.