

5 FOR '25: WORKPLACE CHANGES IN FIVE KEY AREAS UNDER THE NEW ADMINISTRATION

Immigration: Geeta Shah

DEI: Jim Plunkett

EEOC: Abbey Wallach

Labor: Norma Manjarrez

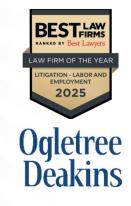
Benefits: Tim Stanton

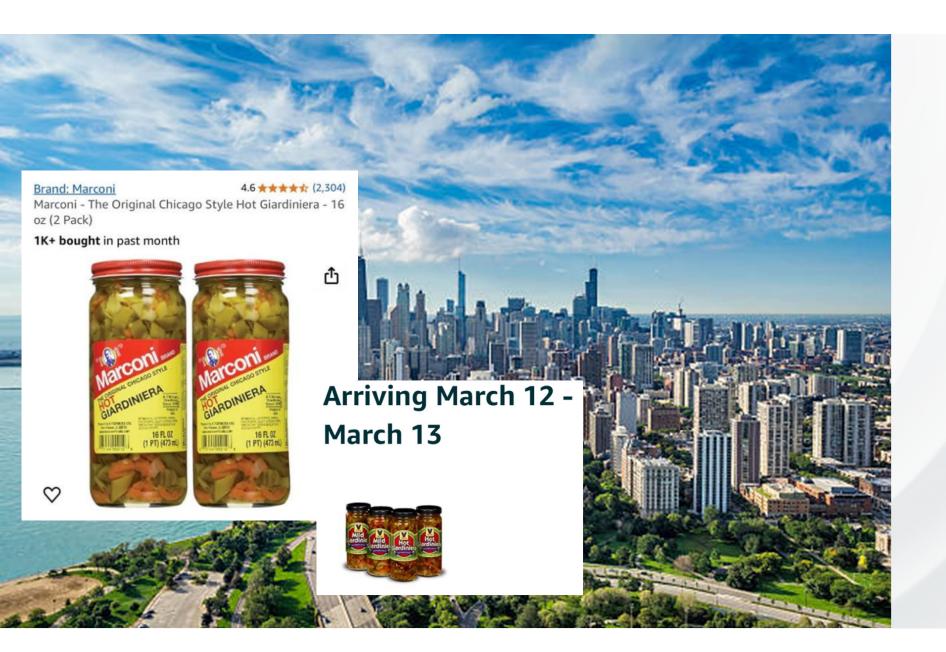


INTRODUCTION

Jim Plunkett (Washington, D.C.)







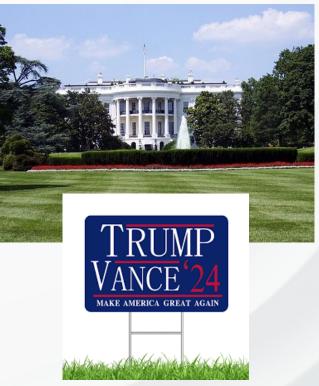
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Trump Administration 2.0



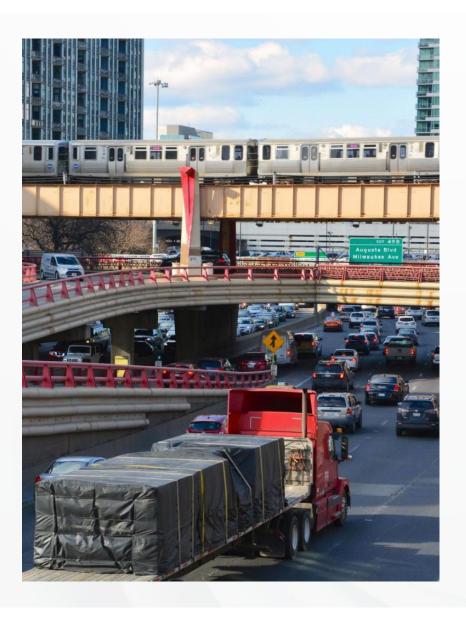




Trump Administration 2.0 - THEMES

- "Shock and Awe"
- Massive federal government overhaul.
- Unitary executive theory.
- Impact on labor and employment policy!





Roadmap for Today

- Immigration
- Diversity, Equity, Inclusion
- EEOC
- Traditional Labor
- Employee Benefits



The Immigration Whirlwind

Presented by

Geeta Shah





H-1B Lottery: Consistent Supply and Increasing Demand

- Specialty Occupation Position requires at least a Bachelor's degree in a specific specialty.
- 85,000 initial H-1Bs available each year through the lottery:
 - 20,000 for individuals with an advanced degree obtained from a U.S. public or non-profit institution.
 - 65,000 remaining for individuals with at least a Bachelor's degree or equivalent.
- For profit vs. Nonprofit employers
- H-1B Modernization Rule Policies to strengthen integrity and reduce fraud
- No changes to the H-1B registration process this year.
- · Selection Notifications begin March 27, 2025.

Calendar Year	# of Registrations	Selection Rate
2018	190,098	45%
2019	201,011	42%
2020	274,237	45%
2021	308,613	42%
2022	483,927	26%
2023	780,884	24%
2024	470,953	29%



Employment Verification, Inspections, and Site Visits

Employment Eligibility Verification

- Form I-9
- Virtual Document Inspection/Alternate Procedures
 - Employers must establish clear protocol for both in-person and alternative/remote I-9 verification.
- E-Verify+ service combines the Form I-9 and E-Verify into one.

Uptick in I-9 Inspections

- · Government Agency Notice of Inspection (DOJ/DHS/DOL, etc.)
- 3 business days
- State vs. federal compliance
- Employer obligation vs. Document Abuse/Discrimination
- I-9 Audits

Uptick in Site Visits/Enforcement

- Compliance Verification:
 - Site Visits to ensure compliance with immigration paperwork (H-1B, L-1, F-1 CPT/OPT/STEM OPT, etc.)
- Random and Targeted Visits: Both random visits and targeted investigations based on specific criteria or complaints:
- Raids (target industries hospitality, agriculture, construction, manufacturing, etc.)



Immigration Developments: Déjà Vu or Something New?

Executive Orders Impacting Immigration

Enhanced Vetting and Screening

Trade Policy & Immigration

Attempt to Limit Birthright Citizenship

Revisiting Dormant Immigration Policy (i.e. Noncitizen Registration)

Potential Travel Bans

Visa Processing
Delays and
Increased Wait
Times

Changes to Existing Humanitarian Programs (i.e., DACA, TPS)

Increased Deportations

ICE & CBP
Discretion at Points
of Entry

Removal of Deference to prior petitions?

Changes to Dependent Work Authorization (L-2, H-4, E-3D)?

Changes to H-1B Program (i.e. Wage Rule, etc.?

Gold Card?

Increased Delays and/or Denials of USCIS Processing?

DEI Under Attack in Trump 2.0 Executive Orders and Challenges to Them

Presented by

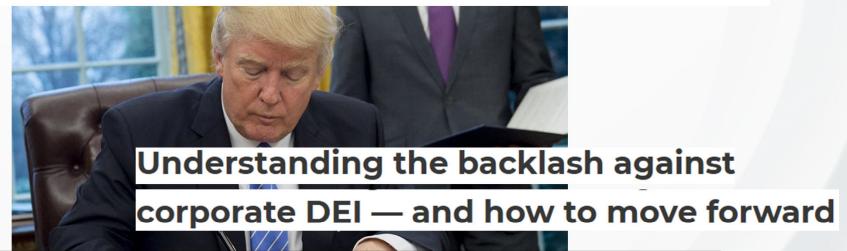
Jim Plunkett





Changes to DEI Content Since Trump's Return to Office

Published Mar 24, 2025 at 11:32 AM EDT



Details about Trump's executive orders around DEI are causing confusion



DEI Executive Orders

- Three DEI-related EOs:
 - EO 14151 Government DEI
 - EO 14168 Gender Identity
 - EO 14173 Federal Contractor/Grant Recipient & Private Employer DEI



"Ending Illegal Discrimination & Restoring Merit-Based Opportunity" (EO 14173)

- Stated Purpose: Targets DEI programming for <u>all employers</u>.
- Actions:
 - Rescinds EO 11246 and its implementing regulations and
 - Sets <u>new</u> compliance requirements for federal contractors and fund recipients:
 - Each agency inserts contractual term requiring federal contractors and grant recipients to agree in all respects with all "applicable Federal anti-discrimination laws is material to the government's payment decisions for purposes of section 3729(b)(4) of title United States Code;" AND
 - Requiring federal contractor and grant recipient to certify that it does not operate any programs promoting DEI that violate any applicable Federal anti-discrimination laws.



CERTIFICATION REGARDING COMPLIANCE WITH APPLICABLE FEDERAL ANTI-DISCRIMINATION LAW

The Co	ontractor or prospective offeror certifies that -				
govern	is in compliance in all respects with all applicable Federal anti-discrimination laws is material to the vernment's payment decisions for purposes of section 31 USC 3729(b)(4) (False Claims Act):				
does not operate any programs promoting Diversity, Equity, and Inclusion that violate any applicable Federal anti-discrimination laws.					
Contractor or Offeror Name:					
Aı	uthorized Representative Name and Title	Authorized Representative Signature	Date		



EO 14173 – Private Employers



"Private sector" employers is not defined but seemingly includes any employer subject to U.S. non-discrimination laws; can include: Federal contractors

Federal grant recipients

Employers with no federal business (contracts or grants)



May 21, 2025

Within 120 days, the Attorney General will create strategic enforcement plans identifying targets for "illegal DEI" in private sector



Identify key sectors of concern, most "egregious" DEI practitioners in each sector, specific measures to deter "unlawful" DEI, up to 9 civil compliance investigations, and strategies to encourage ending "illegal" DEI, including litigation and regulation



Increased Risk for Federal Contractors & Grantees

FALSE CLAIMS ACT

- US DOJ and private whistleblowers → FCA claims for civil and criminal liability.
- 6-year statute of limitations.
- Treble damages (3 x actual damages incurred by the government); and
- A civil penalty between \$14k to \$28k per claim (e.g., per invoice/payment) regardless of actual damages.
- Qui tam private whistleblower claimants can receive attorneys' fees and costs.
- Criminal enforcement risk (and debarment).



Public Private Partnership?



Stephen Miller
White House Deputy Chief of Staff

Woke Corporations

America First Legal is holding corporate America accountable for illegally engaging in discriminatory employment practices that penalize Americans based on race and sex.

Below is a list of all the federal civil rights complaints that America First Legal has filed with the U.S. Equal Employment Commission (EEOC).



America First Legal Urges Department of Labor to Investigate Federal Contractors' DEI Programs

February 24, 2025

AFL has identified prohibited discrimination in over eight Federal contractors, largely based on the contractors' own public statements and representations that the implementing policies designed to alter, or "balance" the race, color, sex, and national origin of its workers. These programs often involve a contractor treating employees or applicants differently based on these immutable characteristics. In other cases, the contractor establishes discriminatory targets or goals by making it an objective to achieve a certain quantifiable amount of diversity of race or sex among its workforce, applicant pool, or board of directors. This conduct contradicts Federal constitutional and statutory guarantees of individual opportunity and violates the equal opportunity terms of all Federal contracts. These contractors' public claims and representations, including but not limited to their promise of workplace "diversity" and "equity," provide ample pretext for Federal investigations of their equal opportunity clause compliance. The Department must not hesitate to enforce existing Federal regulations and the new executive order to ensure an immediate end to discrimination in Federal contracting.



Dismantle DEI Act



• J.D. Vance co-sponsor in 118th Congress

"prohibited diversity, equity, or inclusion practice"

- Discriminating on the basis of race, color, ethnicity, religion, biological sex, or national origin.
- Requiring training, assent to a code of conduct, etc., asserting that "particular race, color, ethnicity, religion, biological sex, or national origin is inherently or systemically superior or inferior, oppressive or oppressed, or privileged or unprivileged".
- No contracts for work performed in facilities subject to "prohibited DEI practice."
- Contractors prohibited from using funds for DEI office, officer, training course, etc.
- Watch for: DEI/ESG investigations
 - Letters to CEOs

U.S. Senate 53(R) – 47(D) 60 votes needed for passage





Ogletree Deakins



KWAME RAOUL ATTORNEY GENERAL

January 9, 2025

Further, your former supplier diversity goals and efforts to ensure fair consideration of all potential partners made good business and legal sense. Your announced departure from these efforts leaves room for confusion as to why targeted efforts to reach disadvantaged suppliers are no longer necessary, and how you intend to ensure compliance with nondiscrimination requirements moving forward.

Finally, as you have announced that you are no longer using "DEI" in company titles or materials, it leaves open the question of whether you have engaged in corporate restructuring, terminations, or layoffs in furtherance of this decision. If you have, we are concerned about the potential that impacted employees may be disproportionately Black, Latino, or members of other historically disadvantaged protected groups.

We would welcome more information, either as you communicate your recommitment to the important values of diversity, equity, and inclusion, or as you share with our offices how you intend to ensure compliance with our states' laws. Although a response is voluntary, we hope that you will take the opportunity to engage with us on these important topics.



"The Executive Order states what is already the law – that discrimination is illegal – but then conflates unlawful preferences in hiring and promotion with sound and lawful best practices for promoting diversity, equity, inclusion, and accessibility in the workforce. This conflation is inaccurate and misleading. Policies and practices that promote diversity, equity, inclusion, and accessibility are not the same as preferences in individual hiring and promotion decisions that have been found to be unlawful."



The Commonwealth of Massachusetts The State of Illinois Offices of the Attorney General



Kwame Raoul Attorney General

Mass.Gov/AGO IllinoisAttorneyGeneral.Gov

February 13, 2025

Diversity, Equity, Inclusion, and Accessibility Employment Initiatives

The Attorneys General of Massachusetts, Illinois, Arizona, California, Connecticut, Delaware, Hawaii, Maine, Maryland, Minnesota, Nevada, New Jersey, New York, Oregon, Rhode Island, and Vermont are issuing this Guidance to help businesses, nonprofits, and other organizations operating in our respective states understand the continued viability and important role of diversity, equity, inclusion, and accessibility efforts (sometimes referred to as "DEI" or "DEIA" initiatives) in creating and maintaining legally compliant and thriving workplaces.

Our Offices have heard concerns from many in the private sector about the continued gability of diversity, equity, inclusion, and accessibility policies and programming following an curve Order that purports to target "illegal DEI and DEIA policies" across a wide range of eations. I Importantly, diversity, equity, inclusion, and accessibility best practices are not d the federal government does not have the legal authority to issue an executive order otherwise lawful activities in the private sector or mandates the wholesale removal and practices within private organizations, including those that receive federal contracts and grants. The Executive Order states what is already the law—that discrimination is illegal—but then conflates unlawful preferences in hiring and promotion with sound and lawful best practices for promoting diversity, equity, inclusion, and accessibility in the workforce. This conflation is inaccurate and misleading. Policies and practices that promote diversity, equity, inclusion, and accessibility are not the same as preferences in individual hiring and promotion decisions that have been found to be unlawful. The Executive Order cannot and does not prohibit these otherwise lawful practices and policies. As such, this Guidance aims to clarify the state of the law for businesses, nonprofits, and other organizations operating in our states.



Next Steps for Employers

- Review DEI initiatives.
 - <u>Hiring/Recruitment</u>: "diverse" recruitment initiatives, job fairs, networking working events, hiring panels, etc.
 - Training: EEO vs. ????
 - Employee evaluation/goals
 - <u>Policies and initiatives</u>: Awards, certifications, ERGs, supplier sourcing, public materials



Next Steps for Employers

- As we've said all along:
 - Do not base individual employment decisions on protected class membership.
 - Avoid "goals" that sound like quotas.
 - Avoid scholarships and programs that can only benefit members of a particular protected class.
- Analyze potential state- and local-law complications.
- Track developments within your industry.
- Use EEO approach and language, including consistent policy enforcement as to behavior in the workplace.
- Caution: Over-correction could be seen as discrimination.



The Law is the Law

- Section 1981
- Title VII of the Civil Rights Act of 1964
- Obergefell (2015) **</**
- Bostock (2020) 🗸





The EEOC & Employment Laws

Presented by

Abbey Wallach





The EEOC Under the New Administration

- Will it continue to exist?
- Will it retain its power?
- What are its priorities?



Acting Chair Andrea R. Lucas

- L&E Attorney at Gibson Dunn in Washington, D.C.
- Appointed to EEOC in 2020.
- "reject identity politics"
- "prioritizes evenhanded enforcement of civil rights laws for all Americans, including by rooting out ...
 - unlawful DEI-motivated race and sex discrimination;
 - protecting American workers from <u>anti-American national origin</u> discrimination;
 - defending the biological and binary <u>reality of sex</u> and related rights, including women's rights to <u>single-sex spaces</u>;
 - protecting workers from religious bias and harassment; and ...
 - remedying other areas that have been historically under-enforced by the agency."



<u>DEI</u>

- On February 19, 2025, Lucas announced the EEOC plans to target employers that "illegally prefer non-American workers," as well as "staffing agencies and other agents that unlawfully comply with client companies' illegal preferences against American workers" through increased enforcement of Title VII's national origin protections.
- This latest statement expounds upon the enforcement priorities Lucas laid out in her January 21, 2025, statement, which included "protecting American workers from anti-American national origin discrimination."



DEI Under Trump Already ...

- Halted DEI programs in the government.
- Jan. 20 and 21 Two Executive Orders were issued:
 - Revoked affirmative action requirements for covered federal contractors.
 - Encouraged private sector employers to "end illegal DEI discrimination and preferences."
 - February 3 Lawsuits filed alleging that the Executive Orders are "vague and unconstitutional".
- Ordered government websites scrubbed of "gender ideology" content.
- Federal employees have been told to remove pronouns from email signatures.



Recent EEOC Memo



What To Do If You Experience Discrimination Related to DEI at Work

Title VII of the Civil Rights Act of 1964 prohibits employment discrimination based on protected characteristics such as race and sex. Different treatment based on race, sex, or another protected characteristic can be unlawful discrimination, no matter which employees are harmed. Title VII's protections apply equally to all racial, ethnic, and national origin groups, as well as both sexes.

What should I do if I encounter discrimination related to DEI at work?

If you suspect you have experienced DEI-related discrimination, contact the EEOC promptly because there are strict <u>time limits for filing a charge</u>. The <u>EEOC office nearest to you</u> can be reached by phone at 1-800-669-4000 or by ASL videophone at 1-844-234-5122. For more information on how to file a charge, visit: <u>How to File a</u> Charge of Employment Discrimination | U.S. Equal Employment Opportunity Commission.



Race and Hiring

The following are the EEOC's subject matter priorities for Fiscal Years 2024-2028:

1. Eliminating Barriers in Recruitment and Hiring

The EEOC will focus on recruitment and hiring practices and policies that discriminate on any basis unlawful under the statutes EEOC enforces, including sex, race, national origin, color, religion, age, and disability. These include ...

- The use of technology, including artificial intelligence and machine learning, to target job advertisements, recruit applicants, or make or assist in hiring decisions where such systems intentionally exclude or adversely impact protected groups.
- The use of screening tools or requirements that disproportionately impact workers on a protected basis, including those facilitated by artificial intelligence or other automated systems, pre-employment tests, and background checks.



Single Sex Facilities

- Prioritize compliance, investigations, and litigation "to defend the biological and binary reality of sex and related rights, including women's rights to single-sex spaces at work."
- See April 29, 2024 two-page objection to the EEOC's Harassment Guidelines: "It is neither harassment nor discrimination for a business to draw distinctions between the sexes in providing single-sex bathrooms or other similar facilities which implicate these significant privacy and safety interests."
- Could impact nursing rooms, locker rooms, policies related to travel.



Religious Harassment

- Priority is "protecting workers from religious bias and harassment".
 - Antisemitism is particular focus.
 - EEOC investigation and enforcement actions likely to be in this space.
- Expect pro religion view to extend to employers:
 - Potential extension of exemption allowing religious corporations, associations, educational institutions, or societies to be exempt from certain religious discrimination provisions.
 - EEOC position in 2024 that religious organizations cannot make hiring decisions based on hiring could change.



Labor Law Limbo

Presented by

Norma Manjarrez





National Labor Relations Act

- Section 7 Rights
 - · Join a Union.
 - Bargain Collectively.
 - Engage in concerted activity for the purposes of mutual aid and protection.
 - · Refrain from joining a Union or participating in any related activity therein.



The National Labor Relations Act (NLRA) guarantees the right of employees to organize and bargain collectively with their employers, and to engage in other protected concerted activity or to refrain from engaging in any of the above activity. Employees covered by the NLRA' are protected from certain types of employer and union misconduct. This Notice gives you general information about your rights, and about the obligations of employers and unions under the NLRA. Contact the National Labor Relations Board (NLRB), the Federal agency that investigates and resolves complaints under the NLRA, using the contact information supplied below, if you have any questions about specific rights that may apply in your particular workplace.

Under the NLRA, you have the right to:

- Organize a union to negotiate with your employer concerning your wages, hours, and other terms and conditions
 of employment.
- · Form, join or assist a union.
- Bargain collectively through representatives of employees' own choosing for a contract with your employer setting your wages, benefits, hours, and other working conditions.
- Discuss your wages and benefits and other terms and conditions of employment or union organizing with your co-workers or a union.
- Take action with one or more co-workers to improve your working conditions by, among other means, raising work-related complaints directly with your employer or with a government agency, and seeking help from a union.
- Strike and picket, depending on the purpose or means of the strike or the picketing.
- Choose not to do any of these activities, including joining or remaining a member of a union



NLRB: The No Quorum Conundrum





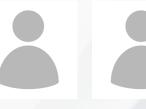
Marvin Kaplan, Chairman (R)



David M. Prouty (D)



Vacant (?)



Vacant





NLRB Rollbacks

On February 14, 2025, NLRB Acting General Counsel Cowen rescinded numerous prior NLRB GC memoranda.

OFFICE OF THE GENERAL COUNSEL

MEMORANDUM GC 25-05

February 14, 2025

TO: Regional Directors, Officers-in-Charge,

and Resident Officers

FROM: William B. Cowen, Acting General Counsel

SUBJECT: Rescission of Certain General Counsel Memoranda

Over the past few years, our dedicated and talented staff have worked diligently process an ever-increasing workload. Notwithstanding these efforts, we have seen backlog of cases grow to the point where it is no longer sustainable. The unfortunate t is that if we attempt to accomplish everything, we risk accomplishing nothing.

Since assuming the role of Acting General Counsel, working with experienced field headquarters professionals, I have conducted a comprehensive review of active Gen Counsel Memoranda and determined that the following actions are warranted.



OUT: Non-Compete Policy

- On February 14, 2025, NLRB Acting General Counsel rescinded prior NLRB GC memoranda, including 23-08 and 25-01.
- These two memoranda had deemed as violations of the NLRA two categories of restrictive covenant agreements with non-supervisory or nonmanagement employees:
 - Non-compete agreements in employment contracts and severance agreements.
 - Stay-or-pay agreements (i.e., employee must repay employer bonus or other benefit if they separate employment before defined stay period).



OUT: Electronic Monitoring and Algorithmic Management of Employees

- GC 23–02 Electronic Monitoring and Algorithmic Management of Employees Interfering with the Exercise of Section 7 Rights.
 - This memorandum addressed electronic monitoring, including tracking movements, recording conversations, and monitoring computer activity.
 - This memorandum also addressed concerns about algorithmic management systems that could be used to unfairly discipline or disadvantage employees based on data collected through monitoring.



Potential Reversals Under Second Trump Term

Cemex

Shedding the informal process of employees holding representation election.

Stericycle / McLaren Macomb

• Less scrutiny on employer handbooks and separation agreements.

Siren Retail

• Placing limitation on employee speech about change in relationship

Captive Audience Limitations

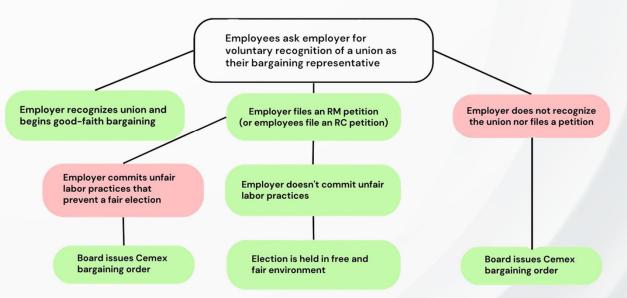
Prohibiting mandatory meetings about unions.



Demand for Recognition

- Cemex Construction Materials Pacific, LLC (August 25, 2023)
- If Union demands recognition claiming majority support ...
 - Employer must recognize and bargain; or ...
 - File RM Petition typically within 14 days.
- If employer commits unfair labor practices (ULPs) during critical period, election cancelled (or set aside) and bargaining order will issue.

Cemex Bargaining Orders





The Stericycle Test

- The NLRB General Counsel has the burden to establish that the work rule or policy could reasonably be interpreted to chill employees' Section 7 activity.
 - Burden will be satisfied even if a contrary, noncoercive interpretation of the rule is also reasonable.
 - The NLRB "will interpret the rule from the perspective of an employee who is subject to the rule and economically dependent on the employer."
- If the NLRB General Counsel meets her burden, the rule or policy is presumptively unlawful.
- The employer may rebut by proving ...
 - That the rule advances a legitimate and substantial business interest; and ...
 - That the employer is unable to advance that interest with a more narrowly tailored rule.



Siren Retail Decision

- On November 8, 2024, the NLRB issued a decision overturning 40 years of precedent in Tri-Cast, Inc.
- Under Tri-Cast, most employer statements about the changes to the relationship between individual employees and management after a union election win were lawful.
- Under Siren Retail, such statements are judged on a case-by-case basis.
- To be lawful, "employer predictions about the negative impacts unionization on employees'
 ability to address issues individually with their employer 'must be carefully phrased on the
 basis of objective fact to convey an employer's belief as to demonstrably probable
 consequences beyond his control."



Captive Audience Limitations

- Decision issued November 13, 2024.
- "Captive audience" meetings violate the NLRA because they have a tendency to interfere with and coerce employees.
- What is a "captive audience meeting"? A meeting where employees are required, on pain of discipline or discharge, to listen to the employer's views about labor unions. Thus, voluntary meetings, held in the workplace on work time, do not violate the Act.
- Decision is prospective only.



Captive Audience Meetings: Safe Harbor

- Safe harbor from liability: If, "reasonably in advance of a meeting" [phrase not defined], the employer gives employees certain assurances ...
 - The employer intends to express its views on unionization at a meeting at which attendance is voluntary;
 - Employees will not be subject to discipline, discharge, or other adverse consequences for failing to attend the meeting or for leaving the meeting; and ...
 - The employer will not keep records of which employees attend, or leave, the meeting.



Current Legal Landscape

Multiple states have captive audience laws, including ...

California	January 1, 2025
Connecticut	July 1, 2022
Maine	<u>September 19, 2023</u>
Minnesota	<u>August 1, 2023</u>
New York	September 6, 2023
Oregon	July 1, 2024
Washington	June 6, 2024
Illinois	January 1, 2025



Illinois Worker Freedom of Speech Act

- Effective January 1, 2025.
- An employer may not take any adverse action against an employee ...
 - Because the employee declines to participate in an employer-sponsored meeting or declines to receive or listen to communications from the employer if the meeting or communication is to communicate the opinion of the employer about religious matters or political matters;
 - As a means of inducing an employee to attend or participate in these meetings; or
 - Because an employee makes a good faith report of a violation of this Act.



Illinois Worker Freedom of Speech Act

- "Political matters" means matters relating to elections for political office, political parties, proposals to change legislation, proposals to change regulations, proposals to change public policy, and the decision to join or support any political party or political, civic, community, fraternal, or labor organization.
- Employees may bring a civil action under this Act.
- The IDOL may assess civil penalties of \$1,000 for each violation.



Employee Benefits: A Cloudy Crystal Ball

Presented by

Tim Stanton





Retirement Plan Issues to Watch

- Environmental, Social & Governance Investments
 - Think of "ESG" as the financial equivalent of DEI in the new administration
- Fiduciary rule for investment advisors
- Cryptocurrency (\$Trump, anyone?)



Health Plan Issues to Watch

- Transgender care for minors (EO 14187)
 - 24 states already restrict providers
 - Medical Travel Benefits (popular following <u>Dobbs</u>)
 - ACA Sec. 1557
- HIPAA restrictions on reproductive health care PHI.
- Mental health parity regulations.
- In vitro fertilization expand access, aggressively lower out of pocket costs (EO 14216)
- Hospital price transparency (EO 14221)



Thank You!

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