

Top Takeaways: Member Roundtable Meeting
June 2025

The Institute is committed to keeping our members informed regarding cutting-edge developments. Below are the top highlights from Tuesday's June 17th Member Roundtable with Institute Leaders Nita Beecher, David Cohen, David Fortney and Laura Mitchell.

Please share these key takeaways with your internal leaders. The replay of the June 2025 Roundtable is located <u>here</u>. Members will need to login for full access.

Highlights

- Safe Harbor proposal. David Fortney updated the status of The Institute's voluntary safe harbor proposal. So far the proposal has been well received by clients, members and other employer groups. The Institute followed up its discussion with OMB with a letter to DOJ and conversations with SHRM, HR Policy and Chamber of Commerce. The Institute would like all member organizations to support the proposal.
- **FY 2026 Budget.** Laura Mitchell stated the DOL FY2026 budget would officially eliminate OFCCP and move Section 503 to EEOC and VEVRAA to VETS. David Fortney pointed out EEOC is proposing approximately \$20M cut while DOJ's Civil Rights Division will take a 50% reduction. The FY 2026 budgets reflect the complete reprioritization of civil rights enforcement by EEOC, DOL and DOJ.
- FCA. With the DOJ's focus on using False Claims Act against DEI, David Fortney pointed out that Justice Thomas in recent Supreme Court decisions made it clear that just because the government says a term is material does not make it so and that violating EEO compliance contract terms is not necessarily material under FCA.
- **Sheetz decision and disparate impact.** David Cohen discussed the status of the **Sheetz** case which EEOC dropped because it is a disparate impact case. Title VII specifically allows cases to filed under disparate impact theory and President Trump's EO can't eliminate that liability. Outen & Golden has agreed to represent the class member in **Sheetz** who alleges the company refused to hire him in violation of EEOC criminal background check guidance.
- Ames v. Ohio Department of Youth Services. Laura described the Supreme Court's most recent discrimination
 decision which found in a 9-0 opinion by Justice Jackson that courts could not require a higher burden of proof
 from majority plaintiffs. Justice Thomas in his concurrence called for lawsuits by which the Court could overturn
 the McDonnell Douglas v. Green burden shifting framework.
- **OPM Hiring Guidance.** David Cohen outlined the latest OPM hiring guidance which would have federal agencies move from degree focused to skill focused hiring. The agencies are no longer to post race and sex data but appear still able to still collect the data. Applicants will also be required to write on President Trump's Executive Orders and how they will implement them.
- Confirmation Hearing. Nita Beecher noted that on Wednesday, June 18th the Senate HELP Committee will hold a confirmation hearing on Andrea Lucas for EEOC, Jonathan Berry for DOL Solicitor of Labor, Andrew Rogers for Wage & Hour Administrator and Anthony D'Esposito for DOL Inspector General.

Member Roundtable Meeting: July 15th at 2 pm Eastern. Please click here for the zoom information.

Webinars – Always complimentary to all members. Registration information is located here.