

2025 Labor and Employment Predictions and Changes You Need to Know





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# **About Fisher Phillips**

With over 675 attorneys in 45 offices across the United States, Mexico and Japan, Fisher Phillips is an international labor and employment firm providing practical business solutions for employers' workplace legal problems. Through our technology-driven approach, we partner with companies to achieve their business objectives, anticipate potential disruption, and provide the legal guidance to navigate and resolve the workplace matters critical to their success. Our exclusive focus on representing employers has allowed us to build an unmatched depth and breadth of experience that sets us apart from general practice firms.



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# Recent Developments That You Need to Know About

- Immigration
- DEO and EEO Compliance
- Wage and Hour Updates
- Labor Relations
- Workplace Safety
- Federal Trade Commission



## IMMIGRATION

#### HEIGHTENED IMMIGRATION ENFORCEMENT

The Trump administration has been carrying out its plans for mass deportations, workplace raids, and more. With former ICE Acting Director Tom Homan serving as the new border czar, businesses have been feeling the impact. Additionally, Attorney General Pam Bondi has promised that the DOJ will use "all available criminal statutes to combat the flood of illegal immigration . . . and to support the DHS's immigration and removal initiatives."

## LEGAL BATTLES ENSUE

Federal judges have blocked attempts to: terminate TPS for Venezuelans; end a program that allows Cubans, Haitians, Nicaraguans and Venezuelans to temporarily live and work in the U.S.; and end automatic birthright citizenship for children of undocumented immigrants. SCOTUS has agreed to hear the birthright citizenship case and is expected to issue a decision by late June or early July.

BACK TO HOME

## 10 IMMIGRATION ORDERS SIGNED ON DAY ONE

These executive orders, among other things, declared a national emergency at the U.S.-Mexico border, reinstated the "remain in Mexico" policy, terminated the asylum related mobile app, and designated Mexican criminal cartels as terrorist organizations.

Read more about the executive orders here.

## DHS TAKES SWIFT ACTION

A rule took effect on April 11 requiring certain noncitizens to register with the government, provide biometric data, and carry proof of registration. Read more here. DHS Secretary Kristi Noem has also focused on ending or shortening certain programs granting temporary status, including deportation protections for certain Haitian nationals.

## DATA-SHARING EFFORTS RAISE IMMIGRATION STAKES

An April 7 agreement between the IRS and ICE enables immigration agents to access tax filings to support non-tax criminal investigations—particularly when it comes to worksite enforcement. The next day, the Social Security Administration announced it was repurposing its "death master file" – which is typically used to identify deceased individuals – to financially disable certain migrants whose legal status has been revoked.

Read more about these developments here.

## Predictions for Next 100 Days... and Beyond

The Trump administration will continue its momentum related to immigration enforcement—and employers can expect more scrutiny of work authorization, PERMs, and visa programs. Consider conducting regular internal audits of I-9s and employment verification documents and establishing clear policies and procedures for responding to immigration enforcement actions.



## DEI AND EEO COMPLIANCE

evelopments That You... UES FAR-REACHING DEI EXECUTIVE ORDER

The administration's actions on diversity, equity, and inclusion (DEI) programs started right away, as President Trump issued a series of executive orders directing federal agencies to eliminate federal government DEI initiatives and "combat illegal private-sector DEI preferences."

Read more about the executive order here.

#### **EEOC ISSUES GUIDANCE ON UNLAWFUL DEI PROGRAMS**

To the extent that the executive order raised questions for employers, the Equal Employment Opportunity Commission (EEOC) issued guidance on March 19 on what constitutes "unlawful discrimination" related to workplace DEI. Key points included reminders about the broad scope of Title VII protections and the fact that there is no such thing as "reverse" discrimination.

Read more about the guidance here.

#### TRUMP TAKES ON GENDER POLICIES WITH **EXECUTIVE ORDER**

In another early action, the president issued a January 20 executive order announcing that the federal government would recognize only two sexes while rolling back Biden-era EEO workplace guidance on transgender, gender identity, and LGBTQ+ discrimination.

Read more about the executive order here.

#### **EXPECT EEO-1 REPORTING - WITH NO OPTION FOR NON-BINARY**

Click here for what to expect according to recent administrative documents filed by the EEOC.

### **NEW LEADERSHIP**

The president grabbed control at the EEOC by installing Andrea Lucas as Acting Chair on January 21 and firing two Democrat Commissioners on January 28 in an unprecedented move. The two Commissioners are challenging their terminations in court but face an uphill battle.

Read more about developments at the EEOC here.

#### **NEW EXECUTIVE ORDER TAKES** ON DISPARATE IMPACT

The president is aiming "to eliminate the use of disparate impact liability in all contexts to the maximum degree possible."

Read more about this April 23 development here.





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#### AT EEOC



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and religious accommodation requests.

workplace modifications for an abortion procedure.

Predictions for Next 100 Days...and Beyond

. In late June, the Supreme Court will rule that "majority-group" plaintiffs need

plaintiffs in Title VII claims. This will further fuel a rise in discrimination

lawsuits filed by men, White employees, and other majority-group workers.

the Trump administration's new position, we expect litigation to ramp up-

especially related to hostile environment claims, bathroom access policies,

After courts uphold the terminations of EEOC Commissioners, the agency

will start rescinding Pregnant Workers Fairness Act (PWFA) regulations

that require employers to accommodate those who need time off or other

Given the potential conflict between Supreme Court precedent confirming that Title VII covers workers based on gender identity and transgender status and

only meet the same pre-trial evidentiary burden applicable to minority-group



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## AFFIRMATIVE ACTION AND FEDERAL CONTRACT COMPLIANCE

#### **KEY AFFIRMATIVE ACTION AND DEI STANDARDS** DISMANTLED

Many federal contractors and subcontractors have long been required to create affirmative action plans and have also promoted DEI practices. In January, President Trump quickly delivered on his promise to unravel affirmative action programs and curb DEI practices.

Read more here about this major shift and how it may impact your operations.

#### FEDS HALT ALL AFFIRMATIVE ACTION **ENFORCEMENT ACTIVITY**

OFCCP employees were ordered to cease any and all investigative and enforcement activity regarding race and gender affirmative action obligations that applied to federal contractors since the

Read more here about this development.

#### OFCCP DIRECTOR INTENDS TO REVIEW PRIOR AFFIRMATIVE ACTION PLANS

The new OFCCP leader. Catherine Eschbach, wants to review mandatory affirmative action plans submitted prior to the new administration for potential longstanding discriminatory practices.

Read more here about what federal contractors can expect.

#### **NO MORE \$17.75 FEDERAL CONTRACTOR** MINIMUM WAGE

The president rescinded an executive order in March that mandated a higher minimum wage for workers on federal contracts. However, federal contractors still have wage obligations under federal, state, and local laws.

Read more about this development here.

#### ADDITIONAL CHANGES IMPACT FEDERAL CONTRACTORS

President Trump also rescinded executive orders that favored unions by prioritizing project labor agreements and incentivized participation in registered apprenticeship programs. However, any statutory requirement under laws such as the Inflation Reduction Act to employ apprentices are not affected.



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## WAGE AND HOUR

#### LEADERSHIP CHANGES SIGNAL SHIFT IN WAGE AND HOUR FOCUS

Lori Chavez-DeRemer-who took the reins as Secretary of Labor on March 11-has promised to "work with business and labor to support good-paying jobs, grow our economy, and ensure every American can enjoy a comfortable retirement." While her initial nomination was surprising due to her support of pro-union initiatives like the PRO Act, Chavez-DeRemer later called the act "imperfect" and emphasized her commitment to supporting President Trump's agenda, including "eliminating burdensome regulations" and "putting American workers first."

Read more about Lori Chavez-DeRemer's appointment here.

## TRUMP SHARES PRIORITIES IMPACTING LABOR DEPARTMENT

President Trump <u>has said</u> his goals for the DOL include creating more opportunities for American Workers, expanding training and apprenticeships, growing wages, improving working conditions, and bringing back manufacturing jobs.

## Predictions for Next 100 Days... and Beyond

- Employers may have some critical decisions to make on how to move forward with compensation plans. The salary threshold for the Fair Labor Standards Act's (FLSA's) whitecollar exemptions will remain just above \$35k for now (after a federal court halted the Biden administration's increase).
   However, we anticipate that the DOL will take steps to modestly increase the salary threshold (as it did during the first Trump administration).
- We also expect the DOL to drop a Biden-era independent contractor standard and return to the more lenient rule issued during Trump's first term. You can read more about this issue here.
- Similarly, we think the DOL will shift back to a more employerfriendly joint employer standard. During the first Trump administration, the DOL attempted to shield businesses from being considered joint employers in a wide spectrum of circumstances, but that rule was blocked by the courts.
- We would not be surprised to see a push for an increase to the \$7.25/hour federal minimum wage. Of course, Congress would need to carry out such a wage hike through legislation before Trump's approval.
- As the federal government eases enforcement efforts, we expect more activity at the state and local level, both in terms of enforcement and audit activity. We also expect the plaintiffs' bar to file more private cases, including litigation under state wage and hour and wage payment statutes.





## LABOR RELATIONS

## NLRB GETS NEW TOP PROSECUTOR, SIGNALS NEW POLICY DIRECTION

In a widely anticipated move, President Trump swiftly fired National Labor Relations Board (NLRB) General Counsel Jennifer Abruzzo. Before the president appointed Crystal Carey (subject to Senate confirmation) to replace Abruzzo, Acting GC William Cowen wasted no time rolling back his predecessor's policies that took expansive views of workers' rights.

Read more about Abruzzo's termination and Cowen's kickoff to a shift in U.S. labor laws.

## BOARD MEMBER WILCOX BATTLES FOR JOB AFTER TERMINATION FROM NLRB

Trump's unprecedented firing of NLRB Board Member Gwynne Wilcox led to a court battle and to Wilcox's reinstatement, removal, (repeat). Most recently, Chief Justice John Roberts ruled that her termination should stay in place until either he or the full Court issues a final decision.

Read more about Wilcox's surprising dismissal and the next steps in this saga.

#### NLRB IN LIMBO WITHOUT A QUORUM (FOR NOW)

The recent NLRB shakeups have created compliance confusion for some employers. While the Board currently lacks the three-member quorum it needs to adjudicate cases or set new legal precedent, its other functions—as well as existing labor laws and standards—remain in play.

Read more about what the Board can and can't do during this limbo period.

## Predictions for Next 100 Days... and Beyond

- The NLRB's recent personnel changes and policy rescissions create new uncertainties that will either slow or accelerate petition activities, leading to shifts in union strategies, employer responses, and organizing efforts. Our <u>interactive</u> <u>map</u> remains a key tool to monitor these developments in real-time (click <u>here</u> for five recent trends it revealed).
- The new NLRB will view the rule of labor law differently, but the Acting GC's Feb. 14 memo does not actually undo the current application of any Biden-era decisions. It will take time for the NLRB itself to potentially reverse that precedent, perhaps years even.
- The Supreme Court will decide whether the president holds the power to terminate the leaders of independent agencies, which will provide certainty in an otherwise uncertain labor environment



## **WORKPLACE SAFETY**

NEW OSHA
LEADER BRINGS
STRONG INDUSTRY
REPUTATION—
AND SOME
SURPRISES

Employers-as well as the Teamsters-celebrated President Trump's pick to head the Occupational Safety and Health Administration (OSHA). Under David Keeling's leadership (Senate confirmation pending), the agency is expected to roll back several Biden-era policies while setting new priorities for enforcement. But OSHA just released new detailed workplace safety incident reports-a data dump we thought would be one-and-done in the Biden ега.

Read more about David Keeling and what to expect under his leadership.

## PENDING OSHA STANDARDS ON HOLD FOR NOW, ULTIMATE FATE UNCLEAR

The Trump administration's <u>regulatory freeze</u> on day one puts a pause on several Biden-era proposed OSHA regulations, and open questions remain about if or when the agency will finalize them under new leadership (including the new Secretary of Labor).

Read more on OSHA efforts to expand fire brigade rules to cover emergency response workers and set a national heat safety standard.

#### MSHA ENFORCEMENT WON'T CHANGE MUCH, BUT NEW LEADER MAY IMPACT SOME KEY AREAS

While the Mine Safety and Health Administration (MSHA) is also undergoing a change in leadership, we don't expect any significant changes from the agency since its enforcement scheme is established by statute. However, Wayne Palmer's confirmation process could shed light on how he might influence MSHA's personnel decisions and regulatory agenda, as well as the fate of a Biden-era proposed silica rule, which a court temporarily blocked from taking effect while it hears a challenge to the rule brought by industry groups.

Read more about <u>Wayne Palmer</u> and <u>the latest on MSHA's</u> silica rule enforcement.

#### Predictions for Next 100 Days... and Beyond

- · OSHA will most likely reverse or scale back electronic submission requirements.
- A national workplace heat standard will be finalized in 2025, but it will likely be scaled back with
  consideration for viewpoints of the employer community.
- The walkaround rule remains in jeopardy due to significant court obstacles, and the Trump administration will weigh in before a court does—potentially even by settling with the plaintiffs and agreeing to abandon the rule.
- MSHA's constant regulatory presence will continue, but Palmer may pursue a regulatory agenda
  in line with the administration's broader promises of regulatory reform.



## ARTIFICIAL INTELLIGENCE

#### TRUMP APPOINTS NATION'S FIRST AI CZAR

Even before taking office, President Trump appointed David Sacks—a Big Tech veteran, Silicon Valley insider, and vocal advocate for deregulation—to the role of "Al & Crypto Czar." His selection signals a major shift toward a pro-industry, deregulatory approach to Al policy, with a strong emphasis on innovation, industry collaboration, and rapid technology adoption.

Read more about David Sacks and his appointment here.

#### BIDEN AI EXECUTIVE ORDER SCRAPPED

On his very first day in office, Trump rescinded President Biden's executive order on Al. Trump's repeal of Biden's executive order marked a full pivot from caution to competition, replacing Al oversight with a focus on economic growth and national competitiveness. No longer would Al companies need to report safety testing results, and the <u>2024 Al Fact Sheet for Employers</u> seems to have no remaining persuasive relevancy, just to name a few developments.

Read more about the end of Biden's Al executive order here.

#### TRUMP ISSUES NEW AI EXECUTIVE ORDER

Just days later, Trump issued his own AI executive order calling regulators to craft a new policy within six months intended to ensure "global AI dominance."

## Predictions for Next 100 Days... and Beyond

- By July, we can expect federal officials to recommend a softtouch approach to federal AI regulation in response to Trump's request for feedback.
- Big Tech's call for federal preemption of state Al laws will fall flat, as Congress will not be able to build consensus on an approach.
- While federal regulators step back, expect states—especially California, Illinois, and New York—to step up with investigations into Al discrimination, not to mention new laws.
- The April 23 executive order taking on the disparate impact theory will mean we'll see fewer federal agencies pursuing workplace discrimination claims related to AI use, but we'll still see private lawsuits bloom across the country.

#### BIG TECH CALLS FOR NATIONAL AI REGULATION

After the White House called for public comments to help develop a comprehensive national AI regulatory framework, major tech companies, business coalitions, and industry groups provided their thoughts. The consensus? A request for federal preemption of state AI laws, balanced and flexible regulation focused on use, and more.

Read more about Big Tech's requests here.



# FEDERAL TRADE COMMISSION AND RESTRICTIVE COVENANTS

#### CHANGING OF THE GUARD AT THE FTC

Trump tapped Commissioner Andrew Ferguson to serve as Chair of the Federal Trade Commission (FTC), and the Senate confirmed Mark Meador to fill the vacancy left by former Chair Lina Khan, giving the Republicans a majority. Ferguson's leadership will likely represent a shift from broad, aggressive rulemaking to more targeted, case-by-case enforcement, emphasizing traditional economic theories of harm. However, he has indicated the FTC will challenge anticompetitive practices in labor markets so employers should not assume that the agency is no longer paying attention to non-compete issues.

Read more about Chair Ferguson and Mark Meador's appointment here.

#### FERGUSON ANNOUNCES TASK FORCE TO TARGET NON-COMPETES AND OTHER PROVISIONS

One of Ferguson's first acts was launching a Joint Labor Task Force to identify and prosecute labor market practices the agency deems to be "deceptive, unfair, and anticompetitive"—including unfair use of non-compete agreements, "no hire" provisions, and termination penalties.

Read more about the Joint Labor Task Force and what employers should know here.

## TRUMP TERMINATES 2 DEMOCRAT FTC COMMISSIONERS

The president continued his unprecedented attempt at reshaping federal agencies when he terminated Alvaro Bedoya and Rebecca Kelty Slaughter in March. The two fired Commissioners filed suit to challenge the terminations and are seeking fast-track status of their lawsuit. Right now, the commission has a 3-0 Republican quorum and majority.

Read more about the terminations here.







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