

White House “Regulatory Freeze” Directive Pauses Most Federal Rulemaking

Law and the Workplace on January 25, 2025

As expected, the White House issued a [directive](#) to the heads of all executive departments and agencies within the first few hours after President Trump’s inauguration on January 20, requesting that they halt all non-emergency rulemaking and regulatory activity pending review by the new administration.

The order directs the executive agencies, which include the U.S. Department of Labor (DOL), to immediately:

- propose or issue no rule in any manner until a department or agency head appointed or designated by President Trump reviews and approves the rule;
- immediately withdraw any rules that have already been sent to the Office of the Federal Register (OFR) for publication but that have not yet been published; and
- consider postponing by 60 days the effective date of any such rules already sent to OFR for publication (or otherwise issued) but which have not yet taken effect, “for the purpose of reviewing any questions of fact, law, and policy the rules may raise.”

The Director or Acting Director of the Office of Management and Budget may exempt any rule deemed necessary to address “emergency situations or other urgent circumstances.”

Unlike four years ago, when the lame-duck Trump DOL's paradigm-shifting [Final Rule on independent contractor classification](#) was scheduled to take effect weeks after Inauguration Day, no federal wage and hour rules impacting private employers are awaiting an effective date in the near future. The DOL's Wage and Hour Division is in the middle of rulemaking with respect to a single rule—to phase out the issuance of certificates authorizing employers to pay subminimum wages to certain workers with disabilities under [section 14\(c\) of the Fair Labor Standards Act](#) (FLSA). Under the [proposed rule](#), employers currently holding such certificates would have up to three years to transition to paying the full minimum wage to impacted workers. We wouldn't count the rule out forever—there's a long history of bipartisanship on disability rights issues, and this rule is being framed as such. Section 14(c), included in the FLSA's original text in 1938, was intended to create job opportunities for disabled workers with otherwise impaired earning capacities. Opponents of the certificate program argue it promotes the suppression of wages for disabled workers who wouldn't otherwise be shut out of the American workforce.

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