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OFCCP Seeks Voluntary Disclosures from Federal Contractors on EO 14173 Compliance

Government Contractor Compliance & Regulatory Update on **June 30, 2025**

On June 27, 2025, Office of Federal Contract Compliance Programs ("OFCCP") Director Catherine Eschbach issued a letter announcing that OFCCP is "providing all federal contractors withthe opportunity to volunteer informationin narrative form about what actions they have taken" in response to Executive Order ("EO")14173, "Ending Illegal Discrimination and Restoring Merit-Based Opportunity." The "content, format, and decision to provide any information is completely up to the contractor."

As we previously reported, EO 14173 rescinded EO 11246 and its associated federal contractor affirmative action requirements for women and racial minorities.

The letter states that contractors choosing to make a voluntary disclosure "should examine their previous affirmative action plans or efforts they had undertaken in response to OFCCP's prior regulatory requirements" and "may wish to provide information demonstrating that they have discontinued these practices." The letter further advises that contractors may confirm whether, based on their review of "their EO 11246 affirmative action efforts" they "believe modifications to employment and recruitment practices are necessary", and, "if so, what those changes are and steps the federal contractor has taken to modify those practices."

Director Eschbach's letter also provides the following examples of practices that contractors may consider addressing in their voluntary submissions:

- "making trainings, sponsorship programs, leadership development programs, educational funding, or other privileges of employment available only to employees of a certain race or sex";
- "placement goals that were based on race or sex";
- "ratings by diversity organizations that graded employers on factors that included the provision of resources designed to promote the rise of non-white, non-male

employees";

- "using applicants' or employees' participation in race- or sex-related (internal or external) groups or organizations as a 'plus factor' or proxy for race or sex in employment and hiring decisions";
- "tying executive compensation to meeting race- or sex-based hiring, promotion, retention, representation, or other employee-demographic-related goals";
- "mandating courses, orientation programs, or trainings that are designed to emphasize and focus on racial stereotypes"; and
- "encouraging employees to make recruitment efforts to or employment referrals of certain candidates based on race or sex."

Detailed instructions for submitting a voluntary disclosure are available through OFCCP's Contractor Portal.

As noted above, the disclosure is voluntary. Contractors should think carefully before making the submission, and consider consulting with counsel regarding whether to make the submission and, if so, what information to include.

We will continue to monitor and report on this development here.

View original.

Related Professionals

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