

# Impact of Federal Employment Law Changes on Florida Employers

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With the start of a new presidential term in 2025, several executive actions have reshaped the federal employment law landscape. Florida employers—especially those with government contracts or federal agency relationships—should be aware of key changes that may impact hiring practices, wage compliance, DEI initiatives, and overall workforce management.

## 1. Executive Order 14173: Revoking EO 11246

One of the most significant actions came on January 21, 2025, when President Trump signed Executive Order 14173, effectively revoking Executive Order 11246. This 1965 order had required federal contractors to avoid discrimination and implement affirmative action programs related to race, color, religion, sex, sexual orientation, gender identity, and national origin.

**Impact**: While this revocation removes certain federal-level requirements, antidiscrimination protections under Title VII of the Civil Rights Act and the Florida Civil Rights Act remain in place. Federal contractors should review internal policies and compliance frameworks to ensure they are still meeting legal obligations without relying solely on the now-rescinded executive order.

# 2. Rollback of Federal DEI Programs

EO 14173 also directed federal agencies to dismantle Diversity, Equity, and Inclusion (DEI) programs within 60 days. This move reflects a broader shift away from DEI mandates in government employment, mirroring similar legislative trends in Florida.

**Impact**: Employers with federal contracts or those taking cues from federal employment models may reconsider internal DEI trainings. However, care should be taken to maintain inclusive practices that comply with state and federal anti-discrimination laws—especially in light of continued enforcement by the EEOC.

#### 3. Reinstatement of "Schedule F"

The administration also reinstated "Schedule F," a classification that permits easier hiring and firing of federal employees involved in policymaking. While primarily affecting the federal workforce, this move signals a broader interest in giving more discretion to employers in managing executive and high-level staff.

**Impact**: Private employers may not be directly affected but should be mindful of how these changes could influence public-private partnerships, grant-funded projects, or shifts in labor expectations among government-affiliated talent pools.

# 4. Federal Hiring Freeze

Effective January 20, 2025, a federal civilian hiring freeze was implemented, with exemptions for military and public safety roles. This policy aims to reduce the size and spending of the federal workforce.

**Impact**: Employers working closely with government entities may see delays in agency responses or approvals. Additionally, as job seekers pivot to the private sector, Florida employers could benefit from a wider talent pool—but should be prepared to evaluate resumes from individuals with public sector experience.

### 5. Increase in Minimum Wage for Federal Contractors

Starting January 1, 2025, the minimum wage for federal contract workers increased to \$17.75 per hour. Employers subject to this requirement must ensure wage compliance to avoid penalties or potential contract loss.

**Impact**: Organizations with federal contracts must confirm that all covered employees meet the new wage threshold. Payroll systems and vendor agreements should be updated accordingly.

## **Bottom Line**

These federal developments reflect a marked shift in employment policy. Florida employers—especially those doing business with the federal government—should reassess their compliance strategies, update internal policies, and consult legal counsel as needed. As always, staying informed and proactive is key to navigating changes confidently.

If your business has questions about these updates, I may be reached at <a href="mailto:scott.atwood@henlaw.com">scott.atwood@henlaw.com</a> or by phone at 239-344-1287.