

## **News Alert: President Trump Orders Regulatory and Enforcement Review**

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On February 19, 2025, President Trump issued an [executive order](#) seeking to review and rescind regulations that are considered “unlawful” and ones that “undermine the national interest,” and review enforcement actions to deprioritize or terminate certain enforcement actions .

Exempt from both the regulatory review and enforcement review are: (1) any action “related to a military, national security, homeland security, foreign affairs, or immigration-related function of the United States”; (2) matters pertaining to the executive branch’s management of its employees; or (3) “anything else” exempted by the Office of Management and Budget (“OMB”).

### Regulatory Review

The Executive Order, titled “Ensuring Lawful Governance and Implementing The President’s ‘Department of Government Efficiency,’” directs agency heads to consult with the Department of Government Efficiency (“DOGE”) and OMB to begin a review of all regulations subject to an agency’s jurisdiction for “consistency with law and Administration policy.”

Within 60 days, and in consultation with the Attorney General as appropriate, agency heads are required to identify regulations that fall within seven different categories:

1. Unconstitutional regulations and regulations that raise serious constitutional difficulties, such as exceeding the scope of the power vested in the Federal Government by the Constitution;
2. Regulations based on unlawful delegations of legislative power;
3. Regulations that are based on anything other than the best reading of the underlying statutory authority or prohibition;
4. Regulations that implicate matters of social, political, or economic significance that are not authorized by clear statutory authority;
5. Regulations that impose significant costs upon private parties that are not outweighed by public benefits;
6. Regulations that harm the national interest by significantly and unjustifiably impeding technological innovation, infrastructure development, disaster response, inflation reduction, research and development, economic development, energy production, land use, and foreign policy objectives; and

7. Regulations that impose undue burdens on small business and impede private enterprise and entrepreneurship.

The Order does not specify how these categories will be interpreted nor does it include specific examples.

Once the regulations within these categories are identified, the list is to be provided to the Office of Information of Regulatory Affairs (“OIRA”) who shall consult with agency heads to rescind or modify these regulations where appropriate to develop a Unified Regulatory Agenda. Agencies are also directed to consult with DOGE and OIRA on new regulations.

### Enforcement Review

The Order also directs agencies to preserve their limited enforcement resources by generally “de-prioritizing actions” to enforce regulations based on anything other than the best read of the statute or regulations that go beyond the constitutional powers of the Federal Government. Agency heads are also required to determine whether ongoing enforcement of any regulations identified in the regulatory review “is compliant with law and Administration policy.” Agency heads also shall consult OMB where appropriate and “direct the termination of all such enforcement proceedings that do not comply with the Constitution, laws, or Administration policy.”

Like the regulatory review, the Order does not specify how to determine what enforcement actions will be a part of this review nor are specific examples included.

### Bottom Line

This Order continues the new administration’s policy and urgent pace of changing the process by which the executive branch functions. The Order is not specific on what regulations and enforcement actions will fall within this executive order. Because the Order could encompass a wide swatch of regulations and enforcement actions, contractors and grantees should be aware there could be upcoming changes. But they should also view this as a unique opportunity to provide proactive comments on needed changes to the contracts and grants system.

If you have any questions about how this executive order or the administration’s other actions may impact your business, please contact us.