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President Obama Signs Executive Order Protecting LGBT Workers

Provided by ISG Advisors, LLC

A new executive order prohibits the federal government and federal contractors from discriminating against individuals on the basis of sexual orientation or gender identity.

The executive order applies to approximately 30,000 businesses employing 28 million workers.

Employers that have contracts with the federal government should review their employee policies, procedures and training to ensure that they address the protections afforded to LGBT individuals under the order.

On July 21, 2014, President Obama signed an executive order aimed at protecting workers employed by the federal government and federal contractors from discrimination on the basis of sexual orientation and gender identity.

The new executive order amends two long-standing executive orders regarding discrimination. It adds sexual orientation and gender identity to the list of protected categories in Executive Order 11246, issued by President Lyndon B. Johnson, which requires federal contractors who do over $10,000 in government business in one year to not discriminate on the basis of race, color, sex or national origin.

The executive order also adds gender identity to the list of categories protected under Executive Order 11478, issued by President Nixon, which extends similar protections to federal employees. Federal employees have been protected from discrimination based on sexual orientation since President Clinton amended Executive Order 11478 in 1998. President Obama's action expands that protection to transsexuals.

The changes created by President Obama's executive order impact approximately 30,000 companies employing 29 million people—one-fifth of the U.S. workforce—but do not impact all employers.

Absence of Religious Exception

The White House resisted calls from religious rights organizations to include language that would have exempted federal contactors with religious affiliations from the executive order.

However, the new executive order does maintain a 2002 amendment to Executive Order 11246, signed by President George W. Bush, which allows religiously affiliated federal contractors to favor workers of their own faith for religious roles.

Implications for Employers

In light of this executive order, employers that have contracts with the federal government should review their employee policies, procedures and training to ensure that they address the protections afforded to LGBT individuals under the order.

More Information

The full text of President Obama's executive order can be viewed here. For additional information about the order, please consult the White House's fact sheet.

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