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B-338701

September 16, 2026

The Honorable Bill Cassidy
Chairman
The Honorable Bernie Sanders
Ranking Member
Committee on Health, Education, Labor, and Pensions
United States Senate

The Honorable Tim Walberg
Chairman
The Honorable Bobby Scott
Ranking Member
Committee on Education and Workforce
House of Representatives

Subject: *Department of Labor: Rescission of Executive Order 11246 Implementing Regulations*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Labor (DOL) entitled "Rescission of Executive Order 11246 Implementing Regulations" (RIN: 1250-AA17). We received the rule on August 27, 2026. It was published in the *Federal Register* on August 21, 2026. 91 Fed. Reg. 54444. The effective date of the rule is October 26, 2026.

According to DOL, this rule rescinds the implementing regulations for Executive Order No. 11246, which was issued in 1965. 30 Fed. Reg. 12319 (Sept. 28, 1965). DOL stated that Executive Order No. 14173, *Ending Illegal Discrimination and Restoring Merit-Based Opportunity*, revoked Executive Order No. 11246 on January 21, 2025. 90 Fed. Reg. 8633 (Jan. 31, 2025).

Enclosed is our assessment of DOL's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact me at (202) 512-8156.

A handwritten signature in black ink that reads "Shirley A. Jones".

Shirley A. Jones
Managing Associate General Counsel

Enclosure

cc: Kenneth Wolfe
Director, Office of Federal Contract Compliance Programs
Department of Labor

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE
ISSUED BY THE
DEPARTMENT OF LABOR
ENTITLED
“RESCISSION OF EXECUTIVE ORDER 11246 IMPLEMENTING REGULATIONS”
(RIN: 1250-AA17)

(i) Cost-benefit analysis

The Department of Labor (DOL) prepared an analysis of the costs and benefits for this rule. See 91 Fed. Reg. 54444, 54466–72 (Aug. 21, 2026). DOL estimated quantifiable cost savings of approximately \$996.37 million annually from reduced paperwork and compliance burdens, with 10-year savings of \$8.5 billion using a 3 percent discount rate and \$7.0 billion using a 7 percent discount rate. *Id.* at 54472. DOL also stated that costs associated with the rule are limited to rule familiarization, with an estimated one-time cost of \$11.6 million. *Id.* DOL estimated that annualized over a 10-year period, these costs are approximately \$1.3 million at a 3 percent discount rate and \$1.5 million at a 7 percent discount rate. *Id.*

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603–605, 607, and 609

DOL certified that this rule will not have a significant economic impact on a substantial number of small entities. 91 Fed. Reg. at 54472.

(iii) Agency actions relevant to sections 202–205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532–1535

DOL determined that this rule does not contain a federal intergovernmental mandate, nor is it expected to require expenditures of \$100 million or more in any one year by state, local, and tribal governments, in the aggregate, or by the private sector. 91 Fed. Reg. at 54473.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

On July 1, 2025, DOL issued a proposed rule. 90 Fed. Reg. 28472. DOL stated that they received comments from various interested parties. 91 Fed. Reg. at 54447. DOL responded to comments in the rule. *Id.* at 54447–71.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

In its submission to us, DOL indicated this rule does not contain an information collection requiring approval by the Office of Management and Budget under PRA. DOL stated in the rule that to comply with Executive Order No. 14173, it removed Executive Order No. 11246 elements from the agency’s pre-complaint inquiry and complaint forms, but the information collection still covers complaints under section 503 of the Rehabilitation Act of 1973 and the Vietnam Era Veterans’ Readjustment Assistance Act of 1974. 91 Fed. Reg. at 54472.

Statutory authorization for the rule

In its submission to us, DOL cited Executive Order No. 14173 as the statutory authorization for this rule. In the rule, DOL cited section 301 of title 3, United States Code, and stated, among other things, that the revocation of Executive Order No. 11246 alone provides an independent and sufficient ground for rescinding the relevant regulations. See 91 Fed. Reg. at 54447–48. According to DOL, moreover, significant portions of the Executive Order No. 11246 regulatory framework are legally vulnerable because they are inconsistent with constitutional principles, civil rights law, and statutory authority. *Id.* at 54444.

Executive Order No. 12866 (Regulatory Planning and Review)

According to DOL, this rule is a significant regulatory action under the Order because it would have an annual effect on the economy of \$100 million or more. 91 Fed. Reg. at 54466. DOL stated the rule was submitted to the Office of Information and Regulatory Affairs for review. *Id.*

Executive Order No. 13132 (Federalism)

DOL determined that this rule does not have federalism implications. 91 Fed. Reg. at 54472.