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**Attorney General Steve Marshall Leads 12-State Coalition Defending Trump Rule Clarifying Religious Exemptions for Federal Contractors**

(MONTGOMERY) — Attorney General Steve Marshall filed a motion to intervene as a defendant in a lawsuit brought by the State of New York against the U.S. Department of Labor challenging the Department’s rule clarifying the scope and application of religious exemptions for federal contractors. The 12-state intervention motion, led by the State of Alabama, was filed today in the U.S. District Court for the Southern District of New York.

“Today, I filed a motion to intervene in a lawsuit challenging a much-needed federal rule defining exemptions afforded to religious organizations who are federal contractors,” said Attorney General Marshall. “Not only does the lawsuit I’m opposing seek to undermine the ability of religious organizations to obtain federal contracts by removing federal rules that define their eligibility, but the federal government has declined to even defend the rule, forcing states, like Alabama, to step in to represent the rights of religious contractors.

“Federal contracting has a tremendous impact on Alabama’s economy and any effort to hinder federal contractors’ access to this work is not only an affront to fairness, but a major blow to our workforce. In Fiscal Year 2020, contractors based in Alabama were awarded 98,147 federal contracts or subcontracts, for a total of approximately \$12 billion. One simply cannot overstate the positive influence of federal contracts and contractors on our communities. It is therefore paramount to protect rules guaranteeing equal access to the federal contracting process.”

In 1965, President Lyndon Johnson signed [Executive Order 11246](#), which set nondiscrimination requirements on federal government contractors and subcontractors. In 2002, President George W. Bush amended the Executive Order to exempt religious organizations from some of the Order’s nondiscrimination requirements. However, neither the Order, nor its implementing regulations, explained how to determine whether an organization qualified for the exemption. In December 2020, the U.S. Department of Labor issued a final rule to clarify how religious organizations would be exempt from the Order’s nondiscrimination requirements.

On January 21, 2021, the State of New York, joined by 13 other states and the District of Columbia, filed suit in the U.S. District Court for the Southern District of New York challenging the Department of Labor’s religious exemption clarification. A similar lawsuit opposing the labor rule was also filed by a group of organizations in Oregon District Court. Both lawsuits were stayed after the Department of Labor subsequently announced that it intends to rescind the rule, a process that is expected to take several months.

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In their motion to intervene, Alabama and the other intervening States argued that the challenged rule provides needed clarity to federal contractors and potential contractors in their States. Each State is “home to potential federal contractors who may decide to enter the eligible pool of federal contractors and subcontractors now that it is clear that religious organizations are not disfavored in government contracting and they need not decide between following their religion and contracting with the federal government,” they stated. “Under the Department’s Final Rule, they can do both.”

The States also urged that intervention was necessary because the federal government had reversed its position and refuses to defend its own rule. “Without intervention,” the motion stated, “there will be no party in this litigation to defend the challenged regulation—even though the regulation provides needed clarity to federal contractors and potential contractors in the Proposed Defendant-Intervenor States, protects their religious liberties, encourages participation in the pool of federal contractors, and brings economic benefits to the States.”

The Alabama-led motion, joined by Arkansas, Georgia, Kentucky, Louisiana, Indiana, Mississippi, Montana, Nebraska, South Carolina, Texas and West Virginia, was filed on March 29, 2021.

The motion is [\*linked here\*](#).