

Key Takeaways: House Oversight Subcommittee Hearing on “Sacrificing Excellence for Ideology: The Real Cost of DEI”

June 27, 2025

On June 26, 2025, the Subcommittee on Health Care and Financial Services of the Committee on Oversight and Government Reform of the U.S. House of Representatives (the “Subcommittee”) hosted a hearing titled, “Sacrificing Excellence for Ideology: The Real Cost of DEI.” The hearing lasted approximately one-and-a-half hours and featured four witnesses: (1) Dan Lennington, Managing Vice President and Deputy Counsel at the Wisconsin Institute for Law & Liberty; (2) Dr. Judge Glock, Director of Research and Senior Fellow at the Manhattan Institute; (3) Dr. Erec Smith, Research Fellow at the Cato Institute; and (4) Dr. Shaun Harper, Provost Professor of Public Policy, Business, and Education at the University of Southern California (Minority witness).

The key takeaways from the hearing were:

- Majority members argued that Diversity, Equity and Inclusion (“DEI”) initiatives are divisive and undermine meritocracy and American competitiveness in critical sectors including healthcare, defense and education.
- Majority members focused on the role of DEI in federal contracts and employment, highlighting instances of fraud and inefficiency in federal programs that consider DEI criteria in the selection of contractors. They also defended efforts to eliminate DEI initiatives in federal agencies and their hiring practices.
- Majority members argued that DEI programs violate federal civil rights laws and advocated for taking legal action against companies and universities that implement these initiatives.
- Majority members proposed banning DEI mandates in federal contracting and hiring. One member announced draft legislation that would prohibit public utility commissions from approving utility companies that have adopted DEI or Environmental, Social and Governance (“ESG”)-related commitments. Another member proposed draft legislation that would eliminate consideration of DEI factors in local planning and zoning decisions.

- Majority witnesses urged Congress to ban DEI-related practices. One witness advocated for legislative reforms that would eliminate race as a criterion for accessing federal programs, and another called for abolishing federal minority contracting set-asides.
- Minority members defended DEI initiatives as necessary to address systemic inequities in housing, health care, education and criminal justice. They argued that DEI expands opportunity without displacing merit.

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Please do not hesitate to contact us with any questions.



David A. O'Neil
Partner, Washington, D.C.
+1 202 383 8040
+1 202 809 1995
daoneil@debevoise.com



Jane Shvets
Partner, New York, London
+1 212 909 6573
+44 20 7786 9163
jshvets@debevoise.com



Carter Burwell
Counsel, Washington, D.C.
+1 202 383 8149
cburwell@debevoise.com



Lauren K. Burns
Associate, Washington, D.C.
+1 202 383 8116
lkburns@debevoise.com



Cameron B. Wolfe
Associate, Washington, D.C.
+1 202 383 8279
cbwolfe@debevoise.com

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