

Uncertain Ground

Executive orders,
generative AI, labor
& employment, and
ESG top the list of
issues attorneys must
navigate this year.

State of Practice
July 2025

Bloomberg Law



Trump's Policies Create Volatile Legal Landscape

By Rebecca Kern



The first 100 days of President Donald Trump's second term were marked by a record number of executive orders, including several targeting at least five major law firms for representing clients who had been critical of the Trump administration.

These executive orders, which also prevented these firms from securing government contracts, are creating uncertainty among legal practitioners going into 2025. This all comes as thousands of government employee cuts and contract cancellations make for a challenging time for law firms in general, especially those dealing with government work.

"My clients are trying to manage their workforce in light of everything happening in the federal government. Predicting the future is unknown, and clients are trying to roll with that," said Scott Mirsky, a principal at Miller, Miller & Canby Law and Employment Litigation practice based outside of Washington.

Despite that uncertainty, nearly 60% of law firm litigators said they were willing to take on cases challenging the Trump administration's executive orders, according to the results from Bloomberg Law's State of Practice survey of over 750 respondents.



Another hot topic for attorneys is the increase in the adoption of generative artificial intelligence technologies.

A majority of both law firm and in-house corporate

attorneys surveyed said they have purchased or invested in generative AI tools. And nearly 40% of law firm attorneys said generative AI tools have increased the number of automated processes and workflows and as a result, a third indicate that time spent on higher level tasks has increased.

About 4 in 10 attorneys in the sample also indicated having used generative AI to help with legal research in general.

"We may be at some point soon where it's below the standard for care unless you use AI in practice to save money for clients," said Mike Hensley, a litigator with Frost Brown Todd law firm based in Santa Ana, Calif. Hensley said it's becoming much more efficient for attorneys to do legal research and legal briefing prep using AI tools, and they've become much more reliable than previous versions from several years ago.

While Mirsky said generative AI tools like ChatGPT and others are helpful, "It's nowhere near something you can fully rely on." He said the systems can get tripped up on nuanced issues and he was concerned about sharing privileged attorney-client information with the AI systems.

Law firm attorneys similarly named data privacy, unreliable/incorrect outputs, security risks, and ethical issues as the top reasons their practices have not used generative AI tools.

But overall, Mirsky said lawyers will be at a disadvantage if they don't jump on the AI trend and add it as another resource to support clients.

"If you aren't up to date both on the risks and benefits of AI, you're sort of not using all the tools that are available to you," Mirsky said. "At a minimum, the quality of the information has to be verified, but it's becoming an important part of how you do legal research, how you match documents, and how you glean information, and clients are going to want you to be as efficient as possible."



When it comes to employment law and hiring practices, the survey also found that while most law firms indicate their company or organization has not changed, about one-

third indicated they have seen an increase in clients seeking advice on practices related to diversity, equity, and inclusion-related hiring initiatives.

This suggests that the Trump administration's executive orders dismantling DEI federal programs has had some effect, but not an outsized impact.

However, several practitioners have said clients are quite concerned about what “illegal” DEI means. An executive order has directed the Equal Employment Opportunity Commission to investigate companies engaging in “illegal DEI,” which is currently being challenged in court.

“There is a lot of confusion about what is legal and what is not, so we are helping them understand the legal landscape and risks,” Haley Morrison, an employment litigation attorney at Epstein Becker Green in Portland, Ore., said.

Similarly, Rebecca Bernhard, a partner at Barnes & Thornburg in Minneapolis who specializes in employment law, said clients who do business with the federal government are more nervous about their DEI hiring efforts. She’s advising they follow Title VII of the Civil Rights Act, which says quotas and preferential treatment of any one race is illegal.

Bernhard has long given the same advice to corporate businesses—even when they were swinging the opposite direction and making public commitments to 30% diversity hires following the murder of George Floyd in her hometown in 2020.

“I advised against it because I think it was dancing up against a quota,” she said.

“I’m trying to bridge the gaps between recruitment and outreach versus interviewing and hiring goals,” she said. “It is a challenge, because we want to do the right thing morally, but we are constrained by laws.”

When it comes to pro bono work, about a third of practitioners surveyed said they’re not advertising

their work. However, about a quarter also said their pro bono work has increased following the Trump administration’s executive orders.

Chris Christie, an attorney at Dentons in Birmingham, Ala., said he’s continuing his pro bono work supporting prisoners’ rights cases in Alabama – which has the highest suicide rate among prisoners in the US. However, he said he’s concerned about the Trump administration’s orders targeting law firms’ pro bono work outside of Alabama to support prisoner rights issues going forward.



In a similar vein, the Trump administration has issued executive orders rolling back clean air and water regulations and climate change initiatives.

President Trump also criticized corporate environmental, social and governance issues – which has led some companies to avoid using the catchphrase internally and externally.

According to the survey, law firm and corporate attorneys have said they have reduced the mention of ESG among their organizations and clients’ websites from 2025 compared to 2024 – indicating that the term is being avoided by some firms as part of a trend away from climate discussions the past several years.

Nearly 50% of corporate attorneys list reputational risks and nearly 40% list state and federal regulatory risks as factors for mentioning ESG on their websites.

AI: Regulated

How companies can comply with the EU’s sweeping artificial intelligence law



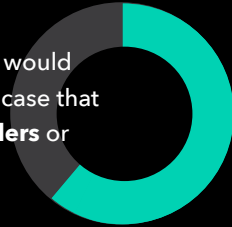
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Data at a Glance

Executive Orders

61% of law firm litigators either would work or are currently working on a case that **challenges Trump's executive orders** or administrative priorities.



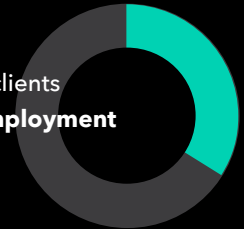
More than half

of respondents say regulation and compliance rules **are unpredictable and create challenges** in their practice.



Labor & Employment

34% have seen an increase in clients seeking **advice on using AI in employment** and workforce issues.

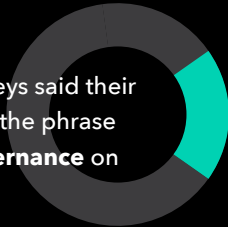


43% have seen an increase in their **labor and employment** workload over the course of the past six months.

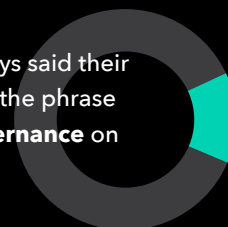


ESG

20% of in-house attorneys said their organization or most clients used the phrase **Environmental, Social, and Governance** on their websites in 2025.



14% of law firm attorneys said their organization or most clients used the phrase **Environmental, Social, and Governance** on their websites in 2025.



Artificial Intelligence

What is the **greatest impact** Gen AI has had on workflow? (Law firm only)

Automation of processes and workflows

37% Increased **60** No Change **3** Decreased

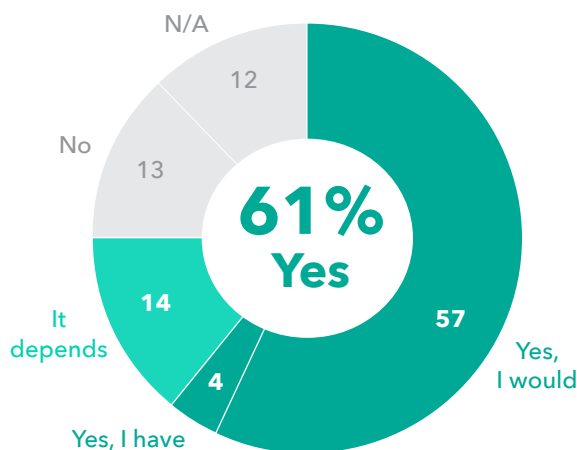
Time available to work on high-level tasks

33% Increased **64** No Change **3** Decreased

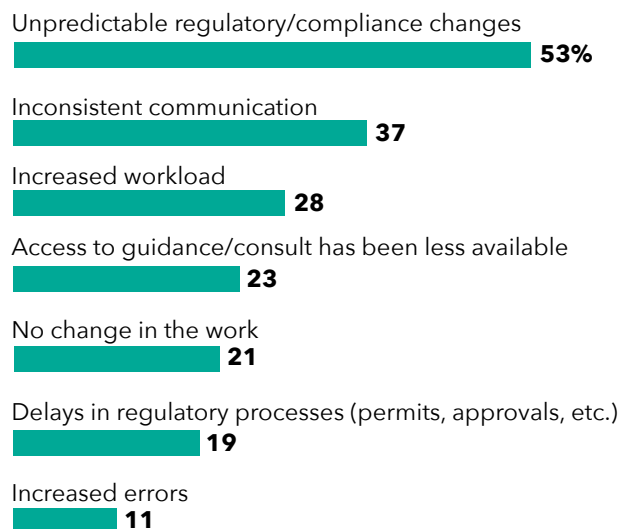
METHODOLOGY: This survey is drafted in collaboration with practice-area specific subject matter experts at Bloomberg Law. Data were collected April 2-28, 2025 via online survey, with participation solicited through direct emails and posted anonymous survey link. Data are reported in aggregate with no identifying information retained, except to provide copies of this report. Legal professionals are asked to answer questions based on practice area and organization type. Most respondents are practicing attorneys, while some work with practicing attorneys in the legal profession or are in non-practicing alternative legal roles. Non-responses (e.g. "Don't know") are not always displayed.

Executive Orders and Legal Industry Data

Would you work on a case **challenging executive orders** from the Trump administration?



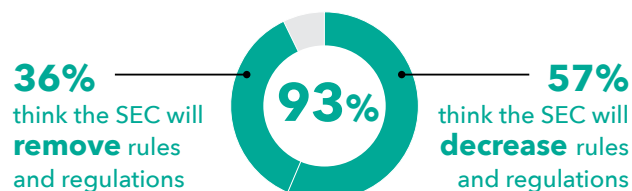
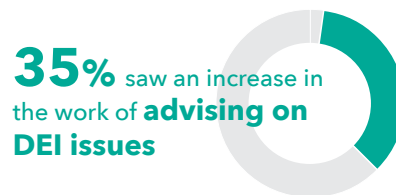
How have changes by the administration **most affected your legal team's ability to do business** before government regulators?



Despite executive orders from the Trump administration to stop all diversity, equity, and inclusion initiatives, most law firm attorneys whose work involves practicing or advising on DEI policies, programs, and initiatives indicated their amount of work advising clients on those matters has not changed. **More than a third, however, noted an increase in such work in the past six months**, while only 2% saw a decrease.

Additionally, among attorneys doing pro bono work, about a quarter said the Trump administration has led to **an increase in their pro bono practices and work for marginalized groups**, despite nearly a third saying they were doing less to publicize free services.

Lastly, considering the Trump administration's pro-industry stance in its executive orders, **93% said they expected the SEC to become less restrictive** in its enforcement of regulations or **eliminate regulations entirely**.

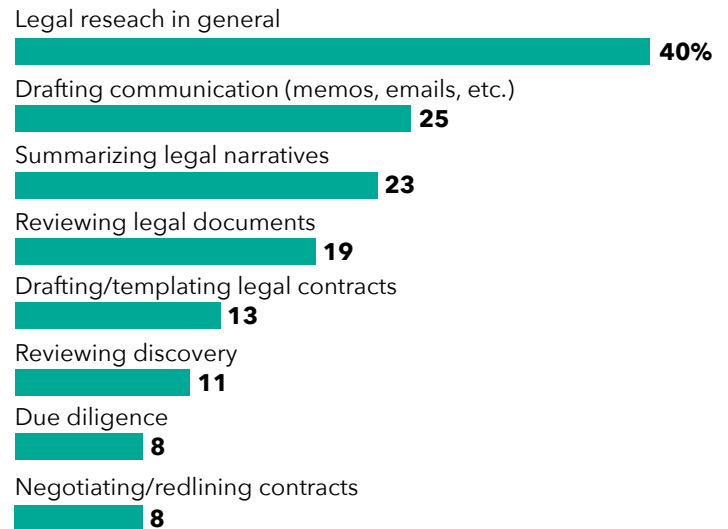


Generative AI and Legal Technology Data

“We may be at some point soon where it’s below the standard for care unless you use AI in practice to save money for clients.”

– Mike Hensley,
litigator with Frost Brown Todd

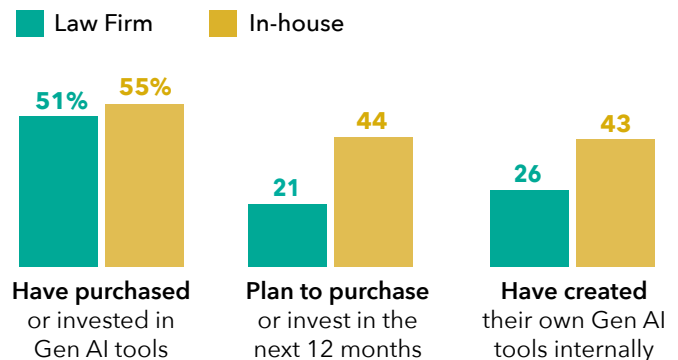
In which of the following ways **have you used generative AI** in your practice?



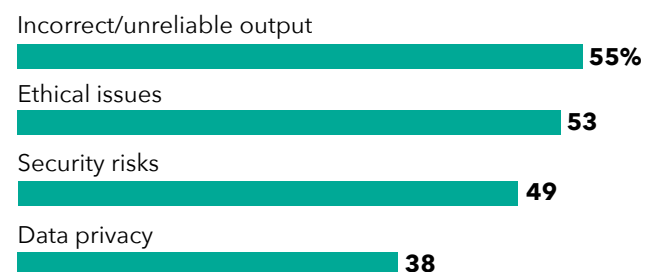
The majority of law firm and in-house attorneys indicated their firm or company is currently using generative AI. **More than 50% of respondents say their organization has already purchased or invested in Gen AI tools**, and 21% and 44%, respectively, say they plan on purchasing these tools.

Only 14% of law firm attorneys and 6% of in-house corporate attorneys indicated their firm or company is not using generative AI in any capacity to their knowledge.

When asked why their firm has not adopted the tech, law firm attorneys surveyed named **unreliable/incorrect outputs (55%), ethical issues (53%), security risks (49%) and data privacy (38%)** as the top reasons their practices have not used generative AI tools. About 4 in 10 attorneys in the sample also indicated having used generative AI to help with legal research in general.



Why doesn't your law firm use Gen AI?

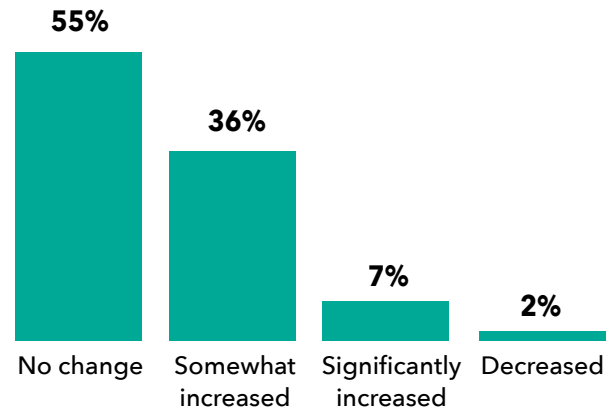


Labor and Employment Data

“*I’m trying to bridge the gaps between recruitment... and hiring goals. It is a challenge, because we want to do the right thing morally, but we are constrained by laws.*”

– Rebecca Bernhard,
partner at Barnes & Thornburg

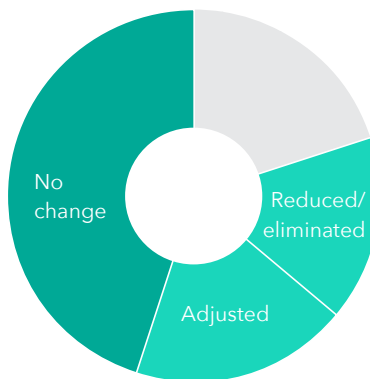
How have the **workloads of L&E attorneys changed** in the past 6 months?



The Trump administration has enacted executive orders directing federal agencies to eliminate diversity, equity, and inclusion programs. These executive orders have caused confusion among private companies and their hiring processes.

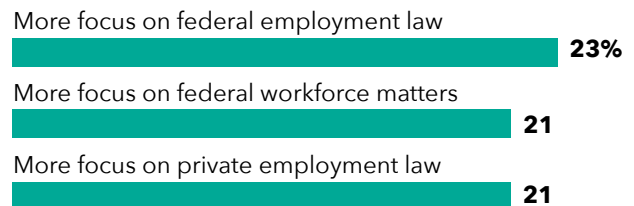
Among in-house attorneys knowledgeable about their organization’s hiring practices, **45% said their DEI-related hiring practices have not changed in the past six months**, 16% said they reduced or eliminated their DEI-hiring initiatives and 19% said they’ve made adjustments to these practices.

Additionally, **about a quarter of law firm attorneys also noted that they’ve seen an increase in advising on federal workforce-related matters** and an increased focus on federal employment law following the massive government-wide layoffs of federal workers under the Trump administration.



45% say there’s been **no change** to their DEI hiring practices

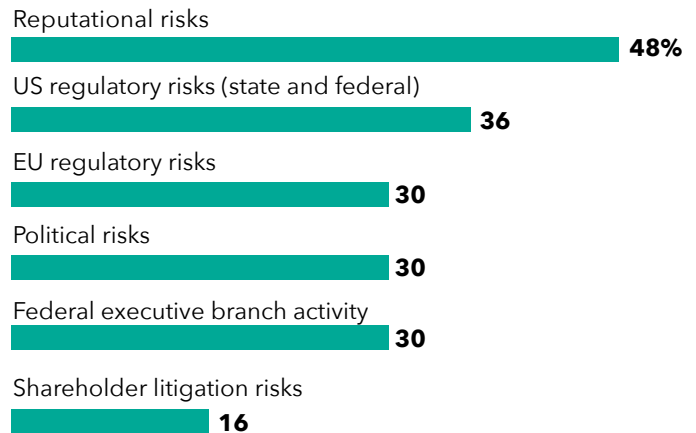
35% say DEI hiring practices have been **adjusted, reduced, or eliminated**



Environmental, Social & Governance Data

The Trump administration has criticized corporate environmental, social and governance issues - which has led some companies to avoid using the catchphrase "ESG" both internally and externally.

Which of these factors influence how your company or clients refer to ESG initiatives on their websites? (*In-house attorneys*)

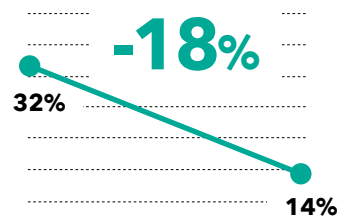


Law firms and their US corporate clients are at the crossroads on whether to pursue their own environmental, social, and governance reporting disclosures these days given requirements in Europe, while at the same time the Trump administration is rolling back climate and environmental mandates.

In the survey, **law firm and corporate attorneys halved the mention of ESG among their organizations' and clients' websites** in 2025 compared to 2024.

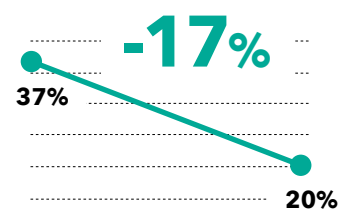
As for the factors as to whether to advertise ESG policies on their websites, nearly 50% of corporate attorneys list reputational risks and nearly 40% list state and federal regulatory risks.

Law Firms



ESG mentions dropped from **32% in 2024** to **14% in 2025**

In-house

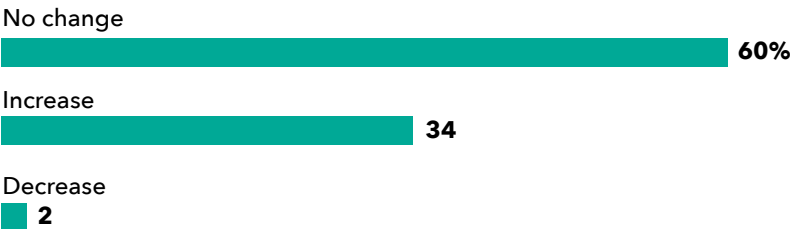


ESG mentions dropped from **37% in 2024** to **20% in 2025**

Additional Findings (Law Firm Respondents)

Labor & Employment

In the past six months,
a third of Labor and Employment
attorneys saw an **increase in their
L&E workloads.**



Healthcare

3 out of 4 attorneys
who advise on healthcare
have **made clients aware of
regulatory changes to HIPAA
under Trump**, or advised them
to be more cautious in terms of
compliance.

Has regulatory interpretation under Trump
impacted how you advise clients?

Somewhat, I am making clients aware of regulatory changes, but am waiting to see how changes are implemented	53%
Yes, I have advised clients to be more cautious in HIPAA compliance	22
No, these regulatory changes are likely not permanent	19

Nearly 40%

of those who advise clients on
healthcare data privacy chose
**generative AI, health apps,
and discrimination based
on health data** as the most
important topics to advise on.

Which of the following are most important to
advise clients on?

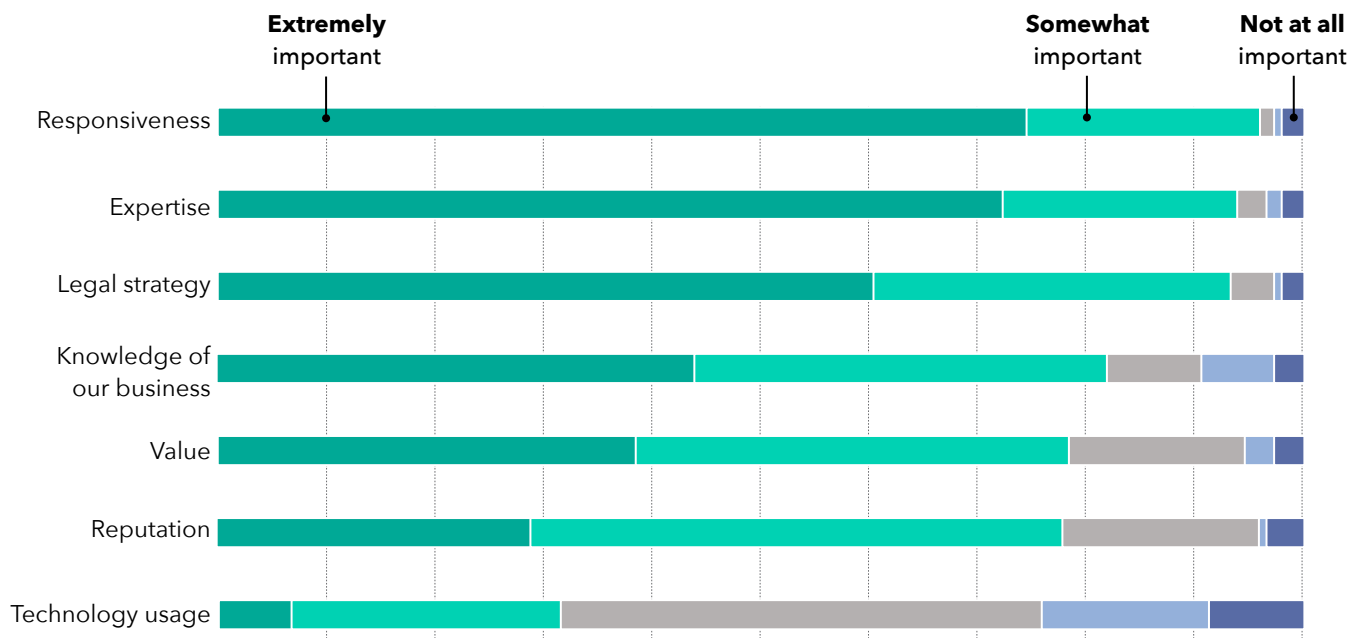
Use of health data in generative AI or large language models	38%
Health data in health app development and use	38
Discrimination based on health data	37
Lack of regulation on health data use	23
Reproductive health information disclosure	20
None of the above are important to advise on in my practice	18
Lack of regulation on genetic information	16

Note: "Don't Know" responses are not shown in totals.

Additional Findings (In-House Respondents)

Legal Operations

More than 90% of in-house respondents consider **responsiveness, expertise, and effectiveness of legal strategy** to be somewhat to extremely important when hiring outside counsel.



Intellectual Property

Just over half

of in-house attorneys at corporations rely on **non-disclosure agreements to ensure that intellectual property is legally protected** from unauthorized use of digital technology (like AI tools).

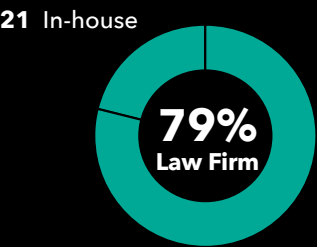
Non-disclosure agreements (NDAs)	55%
Ensured IP is trademarked	40
Adopted clear IP policies	37
Updates to network infrastructure	32
Ensured IP is patented	31
Conducted routine IP audits	25
Don't know/Rather not answer	24
Implemented a tracker to monitor IP use	15
Implemented Digital Rights Management tools (DRM)	12
Other/None of the above	12

Respondent Demographics

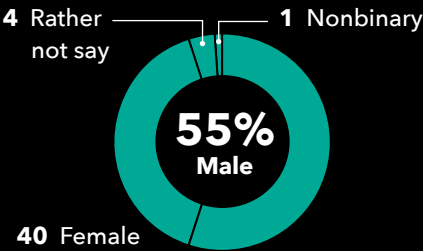
Title

Title	Count	Percent
Partner	300	40%
Associate	178	24%
Counsel	156	21%
Other	121	16%

Organizations



Gender



Years in Legal Industry



Age

Average: 52 years

Age	Count	Percent
60 or older	226	33%
59-50	161	24%
49-40	129	19%
39-30	107	16%
Under 30	61	9%

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