



# National Network

Information, Guidance and Training on the  
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## Section 503 of the Rehabilitation Act New Rules: Fact Sheet

The U.S. Federal Government has recently announced New Rules for Section 503 of the Rehabilitation Act which will require federal contractors and subcontractors to plan affirmative action toward employing qualified individuals with disabilities. Employers with federal government contracts or subcontracts of \$10,000 or more are covered by the New Rules. The New Rules for Section 503 strengthen the enforcement of existing regulations and put into place new requirements around recruiting, hiring and accommodating individuals with disabilities. Covered employers will now have greater accountability and reporting requirements in their employment practices. (Please note: New Rules were also announced for the Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA). For more information on VEVRAA, go to the Fact Sheet at <https://adata.org/VEVRAA>).

Section 503 of the Rehabilitation Act is enforced by the U.S. Office of Federal Contract Compliance Programs (OFCCP). The following is an overview of key changes given in the New Rules. (The complete regulations can be found at <http://www.dol.gov/ofccp/regs/compliance/section503.htm>).

### The aim of the Section 503 New Rules

Despite nearly 25 years of the Americans with Disabilities Act (ADA), people with disabilities continue to face barriers to equal opportunity in employment. In 2011, the employment rate of adults with disabilities was 33.4%, as compared to 75.6% for others. Further, the full-time/full-year employment rate for people with disabilities was 20.7%, as compared with 55.5% for others.<sup>1</sup> The revised Section 503 Regulations aim to change these statistics by requiring employers who are federal contractors or subcontractors to set affirmative action goals and to report progress toward these goals.

### Effective Date

The new rules will go into effect on March 24, 2014. However, federal contractors who already have a written affirmative action program (AAP) in place on that date will have additional time to comply with the AAP requirement.

### Overview of Section 503 New Requirements

#### **Set a workforce goal: Seven percent of employees with disabilities.**

Called a "utilization goal," this requirement is not a quota, but a way to ensure that contractors include disability in their strategies around recruitment and hiring. The seven percent goal will apply to each job group in the workplace or to the entire workforce if there are fewer than 100 employees.

#### **Invite applicants and employees to voluntarily self-identify as a person with a disability.**



At both the job-application stage and after a job offer has been made, the employer should invite applicants to voluntarily self-identify as a person with a disability. Existing employees should also be invited to self-identify within the first year Section 503 regulations come into effect and at least once every five years thereafter. This invitation to self-identify does not conflict with the ADA's provisions on disability disclosure if certain guidelines are followed. All self-identification information must be voluntary, confidential and anonymous. Prescribed language must be used to invite applicants and employees to self-identify. A form for voluntary self-identification will be found at the OFCCP website at <http://www.dol.gov/ofccp/regs/compliance/section503.htm>.

For more information on self-identification and disclosure, go to [http://www.dol.gov/ofccp/regs/compliance/sec503/OLC letter to OFCCP 8-8-2013 508c.pdf](http://www.dol.gov/ofccp/regs/compliance/sec503/OLC%20letter%20to%20OFCCP%208-8-2013%20508c.pdf).

### **Reach out to recruit individuals with disabilities.**

Create partnerships with disability organizations to assist in finding and recruiting qualified job applicants with disabilities. All outreach, partnerships and recruitment efforts should be documented and records kept for three years. To find a list of suggested disability organizations for these partnerships, go to the Employment Resource Referral Directory at <http://www.dol-esa.gov/errd/index.html#search>.

### **Step up data collection and tracking.**

Track and report the number of individuals with disabilities among applicants, among those hired, and among those currently employed in each job group. This information must be updated annually and retained for three years. Here are the highlights of data collection and tracking needed for each job group:

- Job application. Document the percent of job applicants who have voluntarily self-identified as having a disability among the total job applicant pool.
- Job openings. Document the total number of job openings.
- Hiring. Document the total number of jobs filled and the total number filled by those who have self-identified as individuals with disabilities.

### **Use an equal opportunity clause.**

Mandated language will be required when prime contractors communicate with subcontractors and when contractors collect voluntary disability self-identification data from applicants and employees. To find out more, go to <http://www.dol.gov/ofccp/regs/compliance/section503.htm> and scroll down to "Technical Assistance."

### **Participate in OFCCP compliance reviews.**

Upon request, employers must be able to inform OFCCP of formats used to collect this data.

### **Apply the American with Disabilities Amendments Act (ADAAA).**

Passed in 2008, the ADAAA has expanded the definition of disability, including more individuals with disabilities under its protections against discrimination in the workplace and other settings. Section 503 calls for employers to review their policies and practices to ensure they are in compliance with the ADAAA. For more information about the ADAAA, go to [http://www.eeoc.gov/laws/regulations/ada\\_qa\\_final\\_rule.cfm](http://www.eeoc.gov/laws/regulations/ada_qa_final_rule.cfm).



### For more information, go to

U.S. Dept. of Labor. Frequently Asked Questions Section 503 Final Rule.

[http://www.dol.gov/ofccp/regs/compliance/faqs/503\\_faq.htm](http://www.dol.gov/ofccp/regs/compliance/faqs/503_faq.htm)

U.S. Dept. of Labor. Final Rule Text.

[http://www.dol.gov/ofccp/regs/compliance/section503/503\\_rule\\_ga\\_508c.pdf](http://www.dol.gov/ofccp/regs/compliance/section503/503_rule_ga_508c.pdf)

U.S. Dept. of Labor. Final Rule Text: Summary and Pre-amble.

[http://www.dol.gov/ofccp/regs/compliance/section503/503\\_summary\\_ga\\_508c.pdf](http://www.dol.gov/ofccp/regs/compliance/section503/503_summary_ga_508c.pdf)

EEOC. Letter on Voluntary Self-Identification.

[http://www.dol.gov/ofccp/regs/compliance/sec503/OLC\\_letter\\_to\\_OFCCP\\_8-8-2013\\_508c.pdf](http://www.dol.gov/ofccp/regs/compliance/sec503/OLC_letter_to_OFCCP_8-8-2013_508c.pdf)

### References

Erickson, W., Lee, C., & von Schrader, S. (2012). 2011 Disability Status Report: United States. Ithaca, NY: Cornell University Employment and Disability Institute(EDI).

Content was developed by Northeast ADA Center, and is based on professional consensus of ADA experts and the ADA National Network.



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