

# United States Department of Labor

## Office of Federal Contract Compliance Programs

### Office of Federal Contract Compliance Programs (OFCCP)

#### **New Regulations: Section 503 of the Rehabilitation Act**

##### **OFCCP's New Regulations to Improve Job Opportunities for Individuals with Disabilities**

On September 24, 2013, the U.S. Department of Labor's Office of Federal Contract Compliance Programs published a Final Rule in the Federal Register that makes changes to the regulations implementing Section 503 of the Rehabilitation Act of 1973, as amended (Section 503) at 41 CFR Part 60-741. Section 503 prohibits federal contractors and subcontractors from discriminating in employment against individuals with disabilities (IWDs), and requires these employers to take affirmative action to recruit, hire, promote, and retain these individuals. The new rule strengthens the affirmative action provisions of the regulations to aid contractors in their efforts to recruit and hire IWDs, and improve job opportunities for individuals with disabilities. The new rule also makes changes to the nondiscrimination provisions of the regulations to bring them into compliance with the ADA Amendments Act of 2008.

The new Section 503 regulations became effective on March 24, 2014. However, contractors with a written affirmative action program (AAP) already in place on the effective date have additional time to come into compliance with the AAP requirements. This compliance structure seeks to provide contractors the opportunity to maintain their current AAP cycle.

#### **Highlights of the New Regulations**

- **Utilization goal:** The new regulations establish a nationwide 7% utilization goal for qualified IWDs. Contractors apply the goal to each of their job groups, or to their entire workforce if the contractor has 100 or fewer employees. Contractors must conduct an annual utilization analysis and assessment of problem areas, and establish specific action-oriented programs to address any identified problems.
- **Data collection:** The new regulations require that contractors document and update annually several quantitative comparisons for the number of IWDs who apply for jobs and the number of IWDs they hire. Having this data will assist contractors in measuring the effectiveness of their outreach and recruitment efforts. The data must be maintained for three years to be used to spot trends.
- **Invitation to Self-Identify:** The new regulations require that contractors invite applicants to self-identify as IWDs at both the pre-offer and post-offer phases of the application process, using language prescribed by OFCCP. The new regulations also require that contractors invite their employees to self-identify as IWDs every five years, using the prescribed language. This language is posted in the Self-Identification Form, below.
- **Incorporation of the EO Clause:** The new regulations require that specific language be used when incorporating the equal opportunity clause into a subcontract by reference. The mandated language, though brief, will alert subcontractors to their responsibilities as Federal contractors.
- **Records Access:** The new regulations clarify that contractors must allow OFCCP to review documents related to a compliance check or focused review, either on-site or off-site, at OFCCP's option. In addition, the new

regulations require contractors, upon request, to inform OFCCP of all formats in which it maintains its records and provide them to OFCCP in whichever of those formats OFCCP requests.

- **ADAAA:** The new regulations implement changes necessitated by the passage of the ADA Amendments Act (ADAAA) of 2008 by revising the definition of "disability" and certain nondiscrimination provisions.

### **Read the new Section 503 Regulations**

- [Electronic Code of Federal Regulations \(eCFR\)](#)
- [Federal Register](#)

### **Technical Assistance**

- Read the [Fact Sheet](#)
- Get answers to [Frequently Asked Questions](#) (FAQs)
- Find [Contractor Resources](#)
- Look at this [Side by Side Chart](#) of changes in the regulations
- View [Training Webinars](#)
- Read [Section 503 \(29 USC Sec. 793\)](#)

### **Self-Identification**

- [Self-Identification Form](#)
- [EEOC Opinion on the Invitation to Self-Identify](#)

### **Media**

- Read Secretary of Labor [Tom Perez's Blog](#) Announcing the Rules
- Check out a [recap](#) of our September 13 Twitter Chat
- Read the [Press Release](#)
- Read the Press Release in [Spanish](#), [Chinese](#), [Korean](#), [Tagalog](#), [Urdu](#), [Vietnamese](#), [Hmong](#) and [Lao](#)