

# Section 503 of the Federal Rehabilitation Act of 1973

## OVERVIEW

Section 503 of the Federal Rehabilitation Act of 1973, as amended, along with Title I of the Americans with Disabilities Act (ADA), the Vietnam Era Veterans Readjustment Assistance Act (VEVRAA) of 1973, and the Executive Order 11246 all work together to help federal contractors meet their obligations in hiring qualified individuals with disabilities.

In August of 2013, the United States Federal Government announced changes to Section 503 aimed at requiring employers, who are contractors or subcontractors on federal contracts, to set and monitor affirmative action goals. These changes went into effect on March 24, 2014.

VEVRAA is also undergoing changes. In the end, the goal is to improve the employment prospects of individuals with disabilities.

## New Section 503 Rules

The new changes require federal contractors and subcontractors, with contracts or subcontracts over \$10,000 in value, to plan affirmative action goals towards employing qualified individuals with disabilities. Employers have additional responsibilities in hiring and reporting practices for individuals with disabilities.

Employers who already have a written affirmative action program (AAP) in place when the new rule

went into effect have additional time to conform with the adjusted AAP requirements.

A few key elements of the new Section 503 requirements are:

1. Set a workforce utilization goal of employing 7% of individuals with disabilities.
  - Employers will work to reach the 7% goal within each job group or for the entire workforce if the employer has 100 or fewer employees.
2. Invite applicants and employees to voluntarily self-identify as an individual with a disability.
  - The voluntary self-identification form can be found on the Office of Federal Contract Compliance Programs (OFCCP) website at: [www.dol.gov/ofccp/regs/compliance/section503.htm](http://www.dol.gov/ofccp/regs/compliance/section503.htm)
3. Establish data collection and tracking.
  - Employers are required to document and maintain data sets regarding the number of individuals with disabilities who apply for jobs, and the number in which the employer hires. Data must be kept for three years to assist with identifying trends in hiring.
4. Use an equal opportunity clause.
  - Specific language must be used for the equal opportunity clause that is part of a subcontract. This language will let employers know their responsibilities.

5. Participate in OFCCP compliance reviews.
    - ▶ The OFCCP must be allowed to review documents that are relevant to a compliance check or more focused review.
  6. Apply the American with Disabilities Amendments Act (ADAAA).
    - ▶ The passing of the ADAAA is reflected in the new rules. The definition of “disability” is revised and other provisions have been changed as a result.
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## Additional Resources

### **U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP)**

For more information about filing disability discrimination complaints or compliance reviews, contact any of OFCCP’s regional or district offices. All offices are listed in online telephone directory under OFCCP.

[www.dol.gov/ofccp/contacts/ofnation2.htm](http://www.dol.gov/ofccp/contacts/ofnation2.htm)

### **U.S. Department of Labor**

Frequently Asked Questions Section 503 Final Rule

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

### **U.S. Department of Labor**

Final Rule Text

[www.dol.gov/ofccp/regs/compliance/section503/503\\_rule\\_qa\\_508c.pdf](http://www.dol.gov/ofccp/regs/compliance/section503/503_rule_qa_508c.pdf)

### **U.S. Department of Labor**

Final Rule Text: Summary and Pre-amble

[www.dol.gov/ofccp/regs/compliance/section503/503\\_summary\\_qa\\_508c.pdf](http://www.dol.gov/ofccp/regs/compliance/section503/503_summary_qa_508c.pdf)

### **U.S. Equal Employment Opportunity Commission**

Letter on Voluntary Self-Identification

[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)



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