



# Office of Federal Contract Compliance Programs



## The New Section 503 of the Rehabilitation Act Regulations

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# Overview

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- **Background**
  - **Effective Date**
  - **Key Changes to the Regulations**
  - **Additional Information**
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# Background - Section 503

- **Section 503 prohibits employment discrimination on the basis of disability by federal government contractors and subcontractors.**
- **Section 503 also requires that covered contractors take affirmative action to recruit, employ, and advance in employment qualified individuals with disabilities.**

# Why Change?

- **Framework unchanged since the 1970's.**
- **Unemployment rate of individuals with disabilities remains significantly high.**
- **To incorporate changes made by the ADA Amendments Act of 2008.**
- **Revisions are intended to enhance contractor accountability for compliance and ultimately increase employment opportunities.**

# Effective Date

- **The new regulations became effective March 24, 2014.**

# Key Changes - Definitions

## 41 CFR 60-741.2

**Revises definitions relating to “disability”:  
including physical, mental , or medical conditions  
which substantially limits one or more “major life  
activities,” “major bodily functions,” “regarded as”  
having a disability and in accordance with changes  
made the ADA Amendments Act.**

## **Key Changes - Equal Opportunity Clause**

### **Providing Notices to Applicants & Employees**

#### **41 CFR 60-741.5**

- **Contractor can satisfy its posting obligation of notices of rights and obligations electronically for employees with telework arrangements or for those who do not work at the contractor’s physical location.**
- **If contractor uses electronic or internet-based application processes, an electronic notice of employee rights and contractor obligations must be “conspicuously stored with, or as part of, the electronic application.”**



# Equal Opportunity Clause

## Contractor Solicitations and Advertisements

### 41 CFR 60-741.5

**New paragraph requires contractors to state in job solicitations and advertisements that it is an equal opportunity employer of individuals with disabilities.**



# Equal Opportunity Clause

## Incorporating the EO Clause by Reference

### 41 CFR 60-741.5 (d)

Requires citation to EO Clause and the inclusion of specific mandatory language:

**“This contractor and subcontractor shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.”**

# Key Changes - Prohibitions

## 41 CFR 60-741.21

- Adds that reasonable accommodation need not be provided to individuals who are only “regarded as” having a disability. (6)(v)
- Adds that use of qualification standards, employment tests, or other selection criteria that are “based on an individual’s uncorrected vision” are prohibited unless job-related and consistent with business necessity. (7)(ii)
- Adds that reasonable accommodation extends to contractors’ use of electronic or online job application systems. Contractors’ must ensure that individuals with disabilities who cannot use the system have equal opportunity to apply and be considered for all jobs.

## Key Changes – Invitation to Self-Identify

### 41 CFR 60-741.42

- **Pre-offer**: Invitation to self-identify as an individual with a disability.
- **Post-offer**: Invitation to self-identify as individual with a disability.
- **Employees**: Invitation to all employees in first year; and every five years thereafter; at least one reminder in intervening years.
- All invitations must use form CC-305 posted on OFCCP's Web site.

# Key Changes - AAP Elements

## Outreach and Recruitment

### 41 CFR 60-741.44(f)

- **Requires outreach and recruitment; provides examples; and retains contractor flexibility.**
- **Requires documentation of activities and annual written assessment of the effectiveness of each of its activities.**
- **If totality of efforts not effective, must identify and implement alternative efforts.**
- **Retain these records for 3 years.**

# AAP Elements

## Data Collection Analysis

### 41 CFR 60-741.44(k)

- **Requires contractors to document and update annually:**
  - **Number of individuals with a disability applicants;**
  - **Total number of applicants for all jobs;**
  - **Total number of job openings and jobs filled;**
  - **Number of individuals with a disability hired; and**
  - **Total number of applicants hired.**
  
- **Maintain these records for 3 years.**

# AAP Elements

## 41 CFR 60-741.45

Establishes a nationwide 7% utilization goal.

- Apply goal to each job group annually, except if 100 or fewer employees, may apply goal to entire workforce.
- If goal not met, determine if impediments to EEO exist; take steps to correct any identified problems.
- Failure to meet goal is NOT a violation & will NOT carry penalties.

## Additional Information

**OFCCP's Section 503 Web page:**

**[www.dol.gov/ofccp/regs/compliance/section503.htm](http://www.dol.gov/ofccp/regs/compliance/section503.htm)**

- **New Regulations**
- **Frequently Asked Questions**
- **Contractor Resources**
- **Side By Side Charts of the Changes**
- **Webinar Slides and Recordings**

## Contact Information

- **Help Desk: (800) 397-6251**  
**TTY: (877) 889-5627**
- **Division of Policy, Regulations Line:**  
**(202) 693-0103**
- **OFCCP Self Service Options:**  
<http://kb.dol.gov/dolflowquestions?agency-ofccp>





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