A Devastating Step Back for Disability Employment: Disability Solutions Responds to OFCCP Changes to Section 503

Aug. 26, 2026

Disability Solutions is devastated by the Office of Federal Contract Compliance Programs' (OFCCP) decision to dismantle critical parts of the federal framework designed to expand employment opportunities for people with disabilities.

Effective September 21, 2026, the new OFCCP rule eliminates the requirement for federal contractors to invite applicants and employees to self-identify as having a disability, removes the 7% utilization goal and analysis, and ends the related applicant and hire data collection requirements under Section 503 of the Rehabilitation Act. These were not meaningless paperwork exercises. They were among the few proactive, measurable tools available to help employers identify barriers, understand disability representation, and determine whether people with disabilities were being recruited, hired, retained, and advanced.

The consequences of this decision will reach far beyond federal contractor compliance departments. Disabled job seekers will feel them while navigating hiring systems that are too often inaccessible. Employees will feel them when deciding whether it is safe to disclose a disability or request an accommodation. Disability-serving organizations will feel them as they work to connect qualified people with meaningful careers. Employers will also feel them as a consistent framework for measuring progress and accountability disappears.

The findings from Disability Solutions' 2026 Disability at Work Report show how fragile access, trust, and inclusion already are:

- Only **13.4%** of respondents feel fully safe disclosing a disability under the current political climate.
- **59.8%** believe disability disclosure negatively affects their job prospects or treatment at work.
- **27.6%** are now less willing to disclose a disability, while another **27.2%** are more cautious.
- **49.8%** report a reduced sense of belonging at work amid the broader backlash against inclusion efforts.
- **56.8%** describe the workplace accommodation process as very or extremely challenging.

The report also asked respondents a question directly connected to OFCCP's decision:

> **Do you believe federal contractors should continue tracking disability data to support inclusive hiring and workplace practices?**

- **57.6%** responded yes, stating that tracking helps ensure accountability and inclusion.

That response must not be ignored. It comes from people whose employment experiences are directly affected by the systems, policies, and practices these requirements were intended to evaluate. For many disabled professionals, workforce data is a way to make barriers visible, hold organizations accountable, and determine whether commitments to disability inclusion are producing meaningful results.

The OFCCP's final rule removes a standardized self-identification and measurement framework at a time when disabled workers are reporting exceptionally low levels of trust and psychological safety. The 2026 Disability at Work Report does not predict the rule's precise effects, but it shows the difficult environment into which the rule is being introduced. When workers already fear that disclosure could harm their careers, removing a consistent framework for gathering and evaluating disability representation risks making an already undercounted population even less visible

The challenges extend beyond disclosure. The report also highlights 60.1% of respondents as having requested a workplace accommodation, yet 56.8% found the process very or extremely challenging. More than one in four, 26.8%, reported that an accommodation request was denied, while 31.4% received no communication after submitting a request. In addition, 43.2% reported a negative employer response to an accommodation request, compared with only 22.1% who reported a positive response.

These are not signs of a system burdened by too much accountability. They are signs of a system that still does not consistently provide access, communication, trust, or opportunity.

OFCCP's Savings Claim Tells Only Part of the Story

The OFCCP has positioned the removal of these requirements as a reduction in regulatory burden. Earlier estimates associated with the Section 503 information-collection changes **projected a significant reduction in required compliance hours and approximately $147 million in annual administrative savings.**

But reducing administrative expenses is not the same as creating economic value.

The estimate measures the time and money contractors may no longer spend completing specific compliance activities. It does not establish the rule's overall economic impact. It also does not account for the potential costs of qualified people remaining unemployed or underemployed, employers overlooking available talent, preventable turnover, unresolved accessibility barriers, or accommodation processes that fail employees

Most importantly, the OFCCP's calculation does not measure whether removing self-identification, utilization analysis, and applicant and hire data requirements will help or harm disability employment outcomes. A projected reduction in compliance costs should not be presented as proof of a net economic benefit to workers, employers, or the broader economy.

If reduced measurement and accountability contribute to fewer disabled people being recruited and hired, the economic effects could extend far beyond a compliance budget. When people are excluded from employment, the economy loses their skills, earnings, purchasing power, tax contributions, and potential for innovation. Employers also lose access to qualified talent at a time when many organizations are competing to fill critical workforce needs.

These broader potential consequences are not reflected in a calculation of administrative burden. The OFCCP's savings estimate therefore tells only one part of the economic story. The 2026 Disability at Work Report makes this omission especially concerning. When nearly 60% of respondents believe disability disclosure can negatively affect their careers, almost half report a reduced sense of workplace belonging, and more than half find the accommodation process highly challenging, the response should be to strengthen trust, access, and accountability, not remove the limited tools employers have used to identify inequity and measure improvement.

The 7% utilization goal was not a quota or a mandate to hire an unqualified applicant. It was a benchmark that helped covered contractors evaluate representation and identify where barriers or ineffective practices might exist. Eliminating the benchmark does not eliminate inequity. It makes inequity harder to see.

We recognize that the final rule raises legal questions about employer-initiated disability inquiries under the Americans with Disabilities Act. But concerns about privacy and lawful data collection called for careful clarification, collaboration, and modernization. They did not require the removal of an accountability framework without a comparable replacement.

What Employers Should Take Forward

While the OFCCP's final rule removes several longstanding measurement and reporting requirements, important obligations remain. Covered federal contractors must continue to comply with disability nondiscrimination requirements, provide reasonable accommodations, take affirmative action to employ and advance qualified individuals with disabilities, and maintain Section 503 affirmative action programs where applicable. Disability outreach and recruitment requirements also remain. Contractors must continue evaluating the effectiveness of their outreach efforts and identify alternative approaches when those efforts are not producing results.

But compliance should never have been the end goal.

People with disabilities remain one of the largest untapped talent pools in the workforce. Today's barriers are not the result of too much accountability or measurement. They are the result of hiring systems, workplace practices, and technologies that too often fail to account for accessibility and inclusion from the start.

Those concerns are becoming even more relevant as artificial intelligence plays a larger role in hiring. Applicant Tracking Systems (ATS), automated resume screening tools, AI assessments, and candidate ranking technologies increasingly influence who moves forward in the hiring process, often with limited transparency or oversight. Without meaningful measurement and accountability, employers may have little visibility into whether qualified candidates with disabilities are being unintentionally excluded by systems designed to improve efficiency.

One principle from the original Section 503 framework remains as relevant today as ever: good-faith outreach and recruitment. Employers should continue building relationships with disability-serving organizations, expanding access to opportunities, and evaluating whether their efforts are truly reaching qualified candidates with disabilities.

Fewer compliance requirements should not mean less commitment. The employers that continue investing in accessibility, outreach, and inclusive hiring practices will be better positioned to access talent, strengthen their workforce, and create opportunities for qualified individuals with disabilities to succeed.

Our Commitment

Disability Solutions will continue helping employers attract, hire, and retain disability talent. Through our network of more than 19,000 global community-based talent partners, we connect employers with organizations that work directly with people with disabilities. We help employers expand recruitment outreach, strengthen accessible hiring practices, identify barriers, and create pathways to meaningful careers.

Our work has never been limited to checking a compliance box. It is about ensuring that qualified people are not excluded because hiring systems, technology, policies, or workplace practices were not designed to include them.
We strongly encourage employers not to interpret reduced federal requirements as permission to retreat.

Regulations may evolve, but the value of disability talent does not. We encourage employers to continue investing in accessibility, outreach, and inclusive hiring practices, not simply because regulations require it, but because doing so strengthens organizations, expands access to talent, and creates better outcomes for employers and job seekers alike. People with disabilities deserve more than protection from discrimination. They deserve proactive access to opportunity, meaningful accountability, and a workforce that recognizes their talent. Disability Solutions will continue fighting for that future and helping employers move forward, even as the OFCCP takes a devastating step backwards.

Take Action

The future of disability inclusion will not be determined by regulations alone. It will be shaped by the actions employers choose to take moving forward

Disability Solutions is here to support employers in their journey to continue strengthening disability outreach, accessible hiring, responsible technology use, and workforce inclusion. Whether your organization is evaluating outreach strategies, expanding access to disability talent, reviewing hiring processes, or navigating the evolving compliance landscape, we are committed to helping employers build workplaces where qualified individuals with disabilities can thrive.

We also encourage individuals, disability advocates, employers, and community organizations to contact their elected representatives and share their concerns about the impact these changes may have on disability employment, workforce accountability, and equal access to opportunity.

Those wishing to engage with policymakers can find contact information for federal, state, and local elected officials through the official **USAGov elected officials directory** or **House of Representatives lookup tool**.

Suggested Message to Representatives

> I am concerned about the OFCCP's decision to eliminate disability self-identification requirements, utilization goals, and related workforce data collection measures under Section 503. These tools helped employers identify barriers, evaluate progress, and remain accountable for disability inclusion efforts. I encourage policymakers to support disability employment initiatives, meaningful outreach and recruitment efforts, accessible hiring practices, and lawful ways to measure progress so that people with disabilities continue to have equitable access to employment opportunities.

This statement reflects Disability Solutions' policy perspective and is not legal advice. Employers should consult qualified counsel regarding Section 503, the ADA, disability-related inquiries, and other applicable requirements.