

Disability Solutions' Response to the Department of Labor's Proposed Rescission of Section 503 Self-ID and Utilization Goals

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On behalf of Disability Solutions, the global workforce consulting division of Ability Beyond, we submit this formal response to the Department of Labor (DOL) regarding the proposed rescission of key provisions under 41 CFR 60-741.42 and 60-741.45 of Section 503 of the Rehabilitation Act of 1973. As a national leader in advancing disability inclusion and employment, we urge the Department to fully consider the significant consequences this proposal poses for people with disabilities and for employers committed to inclusive workplaces.

These provisions, which require federal contractors to invite applicants and employees to voluntarily self-identify their disability status and to set a 7 percent utilization goal for employing individuals with disabilities, are foundational to advancing workplace inclusion. More than data-collection tools, these measures ensure accountability in hiring and retaining people with disabilities.

Without these requirements, self-identification loses meaning. Decoupled from accountability and impact measurement, self-ID risks becoming a performative checkbox rather than a catalyst for change. Low disclosure rates lead to low engagement, which perpetuates a cycle that stalls or reverses progress.

The proposed rescission threatens to reverse more than a decade of progress. Since the 2014 rule changes, the employment rate of people with disabilities has steadily improved, with labor force participation rising from 17.9% in 2014 to 24.7% in 2023 (Bureau of Labor Statistics). During the same period, the unemployment gap between people with and without disabilities narrowed for the first time in decades. Rolling back these requirements risks undoing measurable gains in hiring, representation, and accountability across federal contractors.

While we acknowledge concerns about potential ADA conflicts and unintended quota implications, these issues can and should be addressed through clarification and refinement, not repeal.

Why Self-Identification Matters

Voluntary self-identification of disability is essential for measuring and advancing workplace inclusion. Since these requirements were implemented, contractors have used self-ID data to improve accessibility, strengthen recruitment, and foster more inclusive cultures.

The Office of Federal Contract Compliance Programs (OFCCP) has made clear that the 7 percent utilization goal is not a quota. It is an aspirational benchmark that enables federal contractors to assess progress and identify areas for improvement. Targeted education and oversight can address misinterpretations without eliminating this critical accountability tool.

Rolling back these requirements would have consequences far beyond regulatory language. This proposal comes at a time when the disability community already faces significant threats. Pending changes to Section 504, weakened OFCCP oversight, and proposed Medicaid cuts all jeopardize the stability, independence, and economic participation of people with disabilities. Each issue is troubling on its own. Together, they risk reversing over 30 years of civil rights and workforce progress.

Clarifying ADAAA Compliance

While the ADAAA has been groundbreaking, further opportunities exist for proactive integration of people with disabilities into the workforce. The 2014 rule changes significantly decreased unemployment rates and increased workforce participation among people with disabilities, as recorded by the Bureau of Labor Statistics. However, rescinding these data-driven accountability measures would be a serious misstep, particularly as recent labor data underscores the persistent, and even widening, employment disparity between people with and without disabilities. In 2024, just 22.7 percent of individuals with disabilities were employed, compared to 65.5 percent of those without disabilities—a gap of 42.8 percentage points that vividly illustrates how far we still have to go.

The voluntary self-identification process under Section 503 is legally sound and operationally essential. It provides robust confidentiality protections and is distinct from prohibited pre-offer inquiries under the ADA. This process enables contractors to collect the data needed to understand workforce representation, evaluate outreach effectiveness, and identify systemic barriers. Section 503 fills a critical gap in federal enforcement by requiring active steps toward inclusion. These steps depend on access to disability data.

If the Department of Labor or the Equal Employment Opportunity Commission believes further clarification is needed, the appropriate next step is not rescission. We urge renewed collaboration to issue updated, consensus-driven guidance that preserves the intent and effectiveness of both the ADA and Section 503.

ADA and ADAAA enforcement remain largely reactive and complaint-driven, with most violations going unreported. Section 503 proactively requires employers to engage in measurable disability inclusion. Eliminating these provisions would reduce oversight and remove an essential mechanism for systemic, forward-looking change.

The proposed rescission would send a clear message that disability inclusion is no longer a priority for the federal government.

Call to Action

Disability Solutions urges the Department of Labor to reject the proposed rescission and instead strengthen and modernize Section 503. Clarify areas of confusion, expand education and training, and enforce accountability. But keep the core infrastructure of inclusion intact. We stand ready to support this process with our expertise, data insights, and the voices of job seekers and employers nationwide.

Now is not the time to retreat on disability inclusion. The workforce still faces stark disparities in employment for people with disabilities. Rather than dismantling proven mechanisms for progress, we should build upon them to ensure a truly inclusive future of work. People with disabilities deserve to work, to contribute their talents, and to thrive in careers with the same fairness and dignity as any other member of the workforce.

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