



August 28th, 2025

Submitted via regulations.gov

Catherine L. Eschbach, Director
Office of Federal Contract Compliance Programs, Department of Labor
200 Constitution Avenue NW, Washington, DC 20210

RE: Modifications to the Regulations Implementing Section 503 of the Rehabilitation Act of 1973, as Amended (RIN 1250-AA18) and

RE: Rescission of Executive Order 11246 Implementing Regulations (RIN 1250-AA17)

To Director Eschbach—

The undersigned members of the Collaboration to Promote Self-Determination (CPSD) oppose the two proposed rules related to federal contracting, “Modifications to the Regulations Implementing Section 503 of the Rehabilitation Act of 1973, as Amended” (RIN 1250-AA18) and “Rescission of Executive Order 11246 Implementing Regulations” (RIN 1250-AA17).

The Collaboration to Promote Self-Determination (CPSD) is an advocacy coalition of organizations including and representing people with disabilities, with a particular focus on those with intellectual/developmental disabilities (IDD), their families, the professionals who support them, and disability service agencies. We have come together to advocate for comprehensive, innovative public policy reform that eliminates barriers to employment and financial security, and promotes opportunities for people with IDD to lead independent, self-determined lives in the community.

CPSD urges the Office of Federal Contract Compliance (OFCCP) to withdraw both NPRMs because they will hurt the communities that CPSD serves.

The Department does not need to go through with either planned revocation. It insinuates that some entities may be engaging in unlawful acts under provisions slated for rescission. See *Modifications to the Regulations Implementing Section 503 of the Rehabilitation Act of 1973, as Amended*, 90 Fed. Reg. 124, 28495 (proposed Jul. 1, 2025) (to be codified at 41 C.F.R. pts. 60-30 and 60-741); see *also* *Rescission of Executive Order 11246 Implementing Regulations*, 90 Fed. Reg. 124, 28475 (proposed Jul. 1, 2025) (to be codified at 41 CFR pts. 60-1, 60-2, 60-3, 60-4, 60-20, 60-30, 60-40, 60-50 and 60-999). The Department’s arguments on this topic are not well supported with factual evidence and are largely speculative. Discarding regulations that have enforced the will of Congress for over a decade on this basis is a needlessly drastic step akin to scrapping speed limits because drivers sometimes exceed them. See 9 U.S.C. § 791(b); see *also* 9 U.S.C. § 793(a).

The Department also makes allegations that some provisions it seeks to revoke are burdensome to covered entities and must be rescinded under an executive order. See 90 Fed. Reg. 124, 28495; see *also* 90 Fed. Reg. 124, 28476. Here, too, it does not provide significant factual support for the proposition that these regulations

create any meaningful inconvenience or expense. It is unclear that these requirements represent a problem for federal contractors, and their rescission may increase uncertainty and liability risk for covered entities. Because of contractors' statutory obligations regarding affirmative action, passed into law by Congress and not invalidated by any court, they will still have to take disability into account in their hiring processes. See 29 U.S.C. § 793(a) (federal contractors whose contracts are worth over \$15,000 "shall take affirmative action to employ and advance in employment qualified individuals with disabilities"). However, under the Department's proposed changes to relevant regulations, they will have to do so without a clear set of instructions. This places them at significant risk of stumbling into liability. The same is true for federal agencies. 29 U.S.C. § 791(b) (federal agencies are required to submit "an affirmative action program plan for the hiring, placement, and advancement of individuals with disabilities"). Revoking the instructions for this mandatory process may prove costly for taxpayers.

The Department's reliance on presidential actions to overturn an executive order does not change directives from Congress. The Department's proposed actions are not required by law. Indeed, they represent a departure from the congressional will that undergirds all lawful agency rulemaking.

Antidiscrimination laws and regulations have historically improved employment outcomes for marginalized workers.¹ Rescinding the nondiscrimination standards for government contractors and subcontractors could very well increase discrimination against qualified workers. Research also shows Black employees who report that it is never acceptable at their companies to speak about experiences of racial bias are nearly three times as likely to leave their job within a year.² Retention of federal contractors will become all the more difficult after rescinding the rules governing OFCCP administrative proceedings related to the enforcement of equal opportunity. Taken all together, many qualified workers may be forced out of the workforce if their civil and labor rights are no longer as protected as they once were.

Risking further shrinkage to the number of federal contractors is inefficient because it means losing the expertise of these workers.³ In the absence of a job, many Americans will be forced into poverty and enrollment in high-cost benefits programs.

If finalized, these NPRMs will exacerbate existing disparities in employment outcomes for populations who would most benefit from labor and civil rights protections in federal contracting. The rescissions will also harm populations who would most benefit from the financial self-sufficiency that these federal contracting opportunities create.

Both NPRMs are part of a larger concerning trend toward weakening a workforce upon which the country depends. It is estimated that federal contracting contributed \$759 billion to the economy in fiscal year 2023, so the U.S. cannot afford to degrade protections in federal contracting.⁴

Job seekers with disabilities are among those with the most to gain from the existing protections and among those with the most to lose from the proposed rescissions. As of June 2025, the employment-to-population

¹ Openchowski, E. (2021, December 21). *The importance of anti-discrimination enforcement for a fair and equitable U.S. labor market and broadly shared economic growth*. Washington Center for Equitable Growth.
<https://equitablegrowth.org/the-importance-of-anti-discrimination-enforcement-for-a-fair-and-equitable-u-s-labor-market-and-broadly-shared-economic-growth/>

² Coqual (formerly: Center for Talent Innovation). (2017). *Easing Racial Tensions at Work*.
<https://coqual.org/wp-content/uploads/2020/09/CoqualEasingRacialTensionsInfographic090720.pdf>

³ Khalid, A., & Locke, A. (2025, February 17). Federal employees with disabilities are worried and scared about gutting of workforce | Here & Now. WBUR (Boston's NPR). <https://www.wbur.org/hereandnow/2025/02/17/fed-employees-disabilities>

⁴ A Snapshot of Government-Wide Contracting for FY 2023 (interactive dashboard). (2024, June 25). U.S. Government Accountability Office (GAO).
<https://www.gao.gov/blog/snapshot-government-wide-contracting-fy-2023-interactive-dashboard>

ratio for PWD was 38% compared to 71.5% for people without disabilities.⁵ In 2024, the unemployment rate (8.1%) for noninstitutionalized disabled people aged 16-64 was more than double the unemployment rate (3.9%) for people without a disability in that same age range.⁶ These subpar outcomes cannot be helped by the proposed rules.

Research shows that the Section 503 rules from 2013 strengthened employer commitment to the hiring, retention, and advancement of qualified people with disabilities. The Cornell University School of Industrial and Labor Relations found that large majorities of federal contractors were using or planned to use the disability self-identification data to gauge success in outreach and recruitment (87%), assess progress in hiring (86%), assess progress in retention (66%), and review progress in advancement (61%).⁷ Rescinding the 503 rules from 2013 threatens to undo that progress. The stakes are too high to gamble on the livelihoods of people with disabilities, 24% of whom aged 18 to 64 live in poverty, compared to 9.9% of nondisabled people.⁸

Rescinding nondiscrimination provisions and eliminating OFCCP's nondiscrimination enforcement role would make it more difficult to identify and combat discrimination by federal contractors. OFCCP has, through its enforcement of EO 11246, helped 250,900 employees and job seekers in FY 2014-2024 who were discriminated against.⁹ Eliminating this regulatory framework would roll back the advancements made to expand access to good jobs.

Many qualified workers with disabilities may not know about federal contracting jobs without affirmative outreach. Plus, it could become more difficult for them to later request and receive the reasonable accommodations necessary to do their work if large¹⁰ contractors are no longer required to invite applicants and employees to self-identify their disability status. On top of that, rescinding the modest requirement that 7% of contractors in each job group are people with disabilities could reverse workforce participation of this under-employed demographic.

The proposed rules are especially risky in the backdrop of other administration actions.

Moreover, the unprecedented firing of the Bureau of Labor Statistics (BLS) Commissioner calls into question how the impact of the two NPRMs will be quantitatively measured, if at all.¹¹ Without reliable data, it will be extremely difficult to assess the outcomes of or implement accountability for either proposed regulatory change.

Now is not the time to backtrack on the inclusion of qualified people, with and without disabilities, in federal contracting. For example, the new Medicaid cuts are predicted to restrict the 15 million disabled people enrolled in Medicaid from obtaining the requisite types of services needed to become and stay employed—services ranging from job coaches and employment support staff to life-saving habilitation support for activities

⁵ Kessler Foundation and University of New Hampshire's Institute on Disability. (2025, July 3). *Lunch & Learn Webinar Series: July 2025 Jobs Report* [Slide show]. National Trends in Disability Employment (nTIDE). Center for Research on Disability.

<https://www.researchondisability.org/ntide-lunch-learn-special-episode-ada-generation-employment-insights-disability-advocate>

⁶ U.S. Bureau of Labor Statistics. (2025, February 25). *Table 1. Employment status of the civilian noninstitutional population by disability status and selected characteristics, 2024 Annual averages - 2024 A01 results* [Press release]. Bureau of Labor Statistics.

<https://www.bls.gov/news.release/disabl.t01.htm>

⁷ Hassan Enayati & Sarah von Schrader, "Initial Impact of Section 503 Rules: Understanding Good Employer Practices and the Trends in Disability Violations Among Federal Contractors" (June 15, 2020), <https://ecommons.cornell.edu/items/8049263c-ab97-4437-b008-9f725be73f71>

⁸ Center for Research on Disability, 2025 Compendium (2025),

<https://www.researchondisability.org/annual-disability-statistics-collection/2025-compendium-table-contents/section-6-poverty-compendium-2025>

⁹ National Partnership for Women & Families. (2025, March 10). *Priceless: The Over \$5.6 Billion Impact of Equal Opportunity at Work | National Partnership for Women & Families*. <https://nationalpartnership.org/report/priceless-over-5-6-billion-impact-of-equal-opportunity-at-work/>

¹⁰ Large contractors are those with more than 50 employees and contracts over \$50,000.

¹¹ Traub, A. (2025, August 1). *Trump's firing of BLS commissioner raises alarm*. National Employment Law Project (NELP).

<https://www.nelp.org/trumps-firing-of-bls-commissioner-raises-alarm/>

of daily living, like eating, dressing, transportation, and bathing.^{12,13} What is more, the new Medicaid work requirements are predicted to result in a loss of 322,000-449,000 jobs across states in 2026 alone. In this fragile landscape, de-regulating federal contracting could only further imperil workforce participation nationwide.¹⁴

RIN 1250-AA17 and RIN 1250-AA18 will create confusion in the context of RIN 1235-AA52, "Statements of General Policy or Interpretation Not Directly Related to Regulations; a proposed rule by the Wage and Hour Division of the US Department of Labor." 90 FR 28985. As noted in the comments from the National Employment Law Project (NELP), removing interpretive guidance out of the Federal Register and into the Field Operations Handbook (FOH) adds uncertainty for employers, including federal contractors, as to compliance with federal law and the possible added costs burdens of noncompliance.

Public policy can only meet the needs of disabled people if we are included in the process of shaping public policy. The 60-day notice and comment period for these proposed rules interferes with that goal. Two months does not provide stakeholders adequate or meaningful opportunity to share their expertise or conduct their own independent economic analysis of the proposed rules, let alone fact check DOL's economic analysis. The accelerated deadline is additionally inappropriate in the absence of the typically published unified agenda and in the context of the Department's announcement of approximately seventy regulatory actions this summer alone. OFCCP must extend the deadline to give our community adequate opportunity to weigh in on the proposed changes.

Both NPRMS are part of larger attacks on diversity, equity, inclusion, and accessibility. These attacks do not spare people with disabilities, who are often in the crossfire of ableism and racism.

The Coalition to Promote Self Determination implores the Department of Labor, Office of Federal Contract Compliance Programs to withdraw RIN: 1250-AA17 and RIN: 1250-AA18, which will hinder disabled job seekers' participation in federal contracting.

Should you have questions, or if you would like to set up a meeting with CPSD, please contact Nina Stoller, Policy Coordinator at the Autistic Self-Advocacy Network (ASAN) at nstoller@autisticadvocacy.org

Sincerely,

The Collaboration to Promote Self-Determination (CPSD)

Allies for Independence

Association of People Supporting Employment First (APSE)

Association of Programs for Rural Independent Living (APRIL)

Autistic Self Advocacy Network (ASAN)

Center for Public Representation (CPR)

National Disability Institute (NDI)

National Down Syndrome Congress (NDSC)

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¹² Burns, A., & Cervantes, S. (2025, August 12). *5 Key Facts About Medicaid Coverage for People with Disabilities*. Kaiser Family Foundation (KFF). <https://www.kff.org/medicaid/issue-brief/5-key-facts-about-medicaid-coverage-for-people-with-disabilities>

¹³ Coalition to Promote Self-Determination (CPSD). (2025, June 5). *Funding Medicaid Helps More People Work!* Autistic Self Advocacy Network (ASAN). <https://autisticadvocacy.org/2025/06/cpsds-two-pager-medicaid-cuts-hurt-workforce-participation/>

¹⁴ Ku, L., & Gorak, T, et. al. (2025). *How National Medicaid Work Requirements Would Lead to Large-Scale Job Losses, Harm State Economies, and Strain Budgets*. The Commonwealth Fund. <https://www.commonwealthfund.org/publications/issue-briefs/2025/may/medicaid-work-requirements-job-losses-harm-states>