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CLIENT ALERT

OFCCP Rules Regarding Veterans and the Disabled will be Effective March 24, 2014

September 25, 2013

Two new rules affecting the implementation of the Vietnam Era Veterans' Readjustment Assistance Act ("VEVRAA"), governing protected veterans, and Section 503 of the Rehabilitation Act ("Section 503"), governing persons with disabilities were published in the *Federal Register* on September 24, 2013. The rules become effective on March 24, 2014 and federal contractors and subcontractors must largely come into compliance with the rules by that date. Contractors with affirmative action programs in place on March 24, 2014 may maintain them until the end of the current plan year, delaying compliance with *only* the affirmative action requirements of the new rules until the start of the next plan year.

Contractors are encouraged to review the rules carefully. The VEVRAA rule requires contractors to establish an annual hiring benchmark, either based on the national percentage of veterans in the workforce (currently 8%), or based on the best available data and factors unique to their establishments. The Section 503 rule establishes an aspirational 7% utilization goal for the employment of individuals with disabilities. The rules also require that contractors compare the number of individuals with disabilities who apply to the number of individuals with disabilities that are hired, and keep those records for three years for audit purposes. Should you have any questions regarding the new rules contact Nichole DeVries at ndevries@pilieromazza.com.