**Contractor & Sub-Contractor Guide to Section 3 Project Compliance**

*Section 3 of the HUD Act requires, to the greatest extent feasible, that employment and other economic and business opportunities generated by the HUD financial assistance are directed to public housing residents and other low-income persons, particularly recipients of government housing assistance and business concerns that provide economic opportunities to low and very-low income persons.*

**Do’s**

* Provide employee lists for every contractor and sub-contractor prior to the start of the project reflecting all potential employees.
* List (Any) all persons who have any possibility of working on the Project, even if only a short period.
* Note the employees counted as Section 3 for the project & list their hire date. Complete and provide a Section 3 Self-Certification Form for all Section 3 Employees. Section 3 employees must reside within the local project (respective) city or county.
* Send a copy of the Contractors’ Compliance Form promptly at the end of each month.
* If you need any new employees (Temp or Permanent), you must develop a flyer announcing the position you are seeking to fill and the flyer must include:
  + Opening date of the position
  + Closing date for the position
  + Position description including minimal requirements for the work
  + This exact wording, “This project is covered under Section 3 of the HUD Act of 1968”
  + Contact person’s name, email, phone, and/or fax to apply
* Contact your project’s Contract Manager when ANY staffing changes are needed before, any new persons or companies are contracted or hired.

**Don’ts**

* Do **NOT** start work on the project until the employee lists for all contractors and sub-contractors have been received.
* Do not hire new contractors or employees without following proper procedure to give notice to Section 3 businesses and residents first.
* Do not permit any person not listed on your employee list to work on the job site for this project.
* If you are working on a Davis Bacon project, do not send payrolls in any other form than WH-347 from the DOL website.
* Don't make assumptions about compliance. Always contact the Office of Disaster Recovery with questions. **We are here to help!**

**CONTRACTOR EMPLOYEE LIST**

|  |  |
| --- | --- |
| Company | |
| Address | |
| Contact Person | Title |
| Phone | Email |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name** | **Address** | **Hire Date** | **Last 4 SS #** | **Section 3? Y/N** |
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