

110TH CONGRESS  
1ST SESSION

# H. R. 3310

To amend the Housing and Urban Development Act of 1968 to ensure improved access to employment opportunities for low-income people.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 2007

Ms. VELÁZQUEZ introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the Housing and Urban Development Act of 1968 to ensure improved access to employment opportunities for low-income people.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Earning and Living  
5 Opportunities Act”.

6 **SEC. 2. REQUIREMENT FOR EMPLOYING LOW- AND VERY**  
7 **LOW-INCOME PERSONS.**

8 (a) IN GENERAL.—Section 3 of the Housing and  
9 Urban Development Act of 1968 (12 U.S.C. 1701u) is  
10 amended—

1 (1) by redesignating subsections (e), (f), and  
2 (g) as subsections (i), (j), and (k), respectively;

3 (2) in subsection (i), as so redesignated—

4 (A) in paragraph (1), by inserting at the  
5 end “*Provided*, however, that any resident of a  
6 public or Indian housing development or any  
7 other person who qualifies for a priority under  
8 section (c)(1)(B), and who was very low-income  
9 shall, for purposes of this Act, continue to qual-  
10 ify, as initially verified, for a period of 5 years,  
11 irrespective of any increase in the person’s in-  
12 come or other change in that person’s priority  
13 status during that period.”; and

14 (B) by inserting after paragraph (2) the  
15 following new paragraph:

16 “(3) ONE-STOP DELIVERY SYSTEM.—The term  
17 ‘one-stop delivery system’ has the meaning given  
18 that term in section 134(e) of the Workforce Invest-  
19 ment Act of 1998 (29 U.S.C. 2864(e)).”; and

20 (3) by inserting after subsection (d) the fol-  
21 lowing new subsections:

22 “(e) REQUIREMENT FOR EMPLOYING LOW- AND  
23 VERY LOW-INCOME PERSONS.—

24 “(1) TWENTY PERCENT REQUIREMENT.—

1           “(A) CONDITION OF ASSISTANCE.—It shall  
2           be a condition of any assistance provided to a  
3           public or Indian housing agency or contract  
4           awarded by a public or Indian housing agency  
5           for work to be performed in connection with de-  
6           velopment assistance provided from the capital  
7           fund under section 9(d) of the United States  
8           Housing Act of 1937, the operating fund under  
9           section 9(e) of such Act, or any other Federal  
10          assistance for housing and community develop-  
11          ment, including funding under section  
12          (8)(o)(13) of such Act, that, except as provided  
13          in paragraph 2(B), a minimum of 20 percent of  
14          all hours worked by employees of the public or  
15          Indian housing agency or of a contractor in  
16          connection with such contract shall be per-  
17          formed by low- or very low-income persons who  
18          qualify for a priority under subsection  
19          (c)(1)(B).

20          “(B) REQUIREMENT.—It shall be a condi-  
21          tion of any assistance provided to a recipient of  
22          other Federal housing and community develop-  
23          ment assistance for housing rehabilitation,  
24          housing construction, or other public construc-  
25          tion projects and their contractors, that a min-

1           imum of 20 percent of all hours worked by em-  
2           ployees of the recipient or its contractors shall  
3           be performed by low- or very low-income per-  
4           sons who qualify for a priority under subsection  
5           (c)(2)(B).

6           “(2) COMPLIANCE.—As a condition of any con-  
7           tract awarded for the work described in paragraph  
8           (1), any contractor awarded such a contract shall—

9                   “(A)(i) immediately before beginning work  
10                  under such contract, submit evidence to the sat-  
11                  isfaction of the contracting agency and the sec-  
12                  tion 3 committee, showing that a minimum of  
13                  20 percent of all hours worked in connection  
14                  with such contract shall be performed by low-  
15                  or very low-income persons who qualify for a  
16                  priority under paragraphs (1)(B) and (2)(B) of  
17                  subsection (c); and

18                   “(ii) submit evidence to the satisfaction of  
19                  the contracting agency and the section 3 com-  
20                  mittee showing that a minimum of 20 percent  
21                  of all hours actually worked in connection with  
22                  such contract were in fact performed by low- or  
23                  very low-income persons who qualify for a pri-  
24                  ority under paragraphs (1)(B) and (2)(B) of  
25                  subsection (c); or

1           “(B) if such contractor cannot meet the re-  
2           quirement imposed by paragraph (1)—

3           “(i) submit evidence to the satisfac-  
4           tion of the contracting agency and the sec-  
5           tion 3 committee that such contractor used  
6           all feasible means to meet such require-  
7           ment by taking steps which include—

8           “(I) recruiting and conducting  
9           job interviews at the affected develop-  
10          ment, in the affected community, and  
11          at training facilities;

12          “(II) working with the con-  
13          tracting agency to advertise and re-  
14          cruit low- and very low-income per-  
15          sons; and

16          “(III) giving notice of such con-  
17          tract to the one-stop delivery system  
18          for the area in which the work is to  
19          be done, including the particular  
20          skills, knowledge, and abilities needed  
21          by potential employees for work under  
22          such contract; and

23          “(ii) provide to the contracting agency  
24          and the section 3 committee, evidence, as  
25          the Secretary shall by regulation require,

1 sufficient to show why low- or very low-in-  
2 come persons who were referred by either  
3 the contracting agency or by the one-stop  
4 delivery system, or who otherwise made  
5 themselves available did not have the skills,  
6 knowledge, or abilities to perform the  
7 work.

8 “(3) SECTION 3 COMMITTEE.—The Secretary  
9 shall require that a public and Indian housing agen-  
10 cy and other recipients of Federal housing and com-  
11 munity development assistance establish a section 3  
12 committee composed of interested parties, including  
13 a representative of the affected section 3 residents to  
14 oversee all aspects of compliance with section 3. For  
15 projects with a significant economic impact relative  
16 to the community size and the public housing agen-  
17 cy, membership on the section 3 committee shall, at  
18 a minimum, include a representative of—

19 “(A) the contractor;

20 “(B) the public or Indian Housing Agency;

21 “(C) the resident association from the de-  
22 velopment (or tenant delegate or section 3 resi-  
23 dent where a tenant association does not exist);

24 “(D) where possible, a community based  
25 organization that has as its mission the pro-

1 motion of workforce development or economic  
2 development in low-income communities;

3 “(E) where they exist, women and minority  
4 trades organizations that offer employment  
5 services with expertise in preparing skilled  
6 workers for the construction field; and

7 “(F) when possible, coordinators and rep-  
8 resentatives of the apprenticeship programs.

9 “(4) TRAINING.—Any contractor awarded a  
10 contract for the work described in paragraph (1)  
11 shall provide on-the-job training to any employee  
12 who is eligible for priority under subsection  
13 (c)(1)(B) and (c)(2)(B). Such training shall be pro-  
14 vided through a State approved apprenticeship pro-  
15 gram.

16 “(f) RECRUITMENT, REFERRAL, AND TRAINING RE-  
17 QUIREMENTS.—The Secretary shall require the following  
18 of public and Indian housing agencies and recipients of  
19 other Federal housing and community development assist-  
20 ance:

21 “(1) That such agencies and other recipients  
22 advertise the availability of training and employment  
23 opportunities generated by development assistance,  
24 and, with the section 3 committee, maintain a reg-  
25 istry of eligible low- and very low-income persons

1 who express interest in those opportunities. For pub-  
2 lic and Indian housing agencies, advertising shall be  
3 conducted in a manner that is most likely to reach  
4 eligible low- and very low income persons who reside  
5 in public or Indian housing or who otherwise qualify  
6 for a priority in accordance with subsection  
7 (c)(1)(B). For recipients of other housing and com-  
8 munity development assistance, advertising shall be  
9 conducted in a manner that is most likely to reach  
10 eligible low- or very low-income persons who qualify  
11 for a priority in accordance with subsection  
12 (c)(2)(B). The registry shall contain sufficient infor-  
13 mation (such as work experience, education level, de-  
14 sired employment, career goals, etc.) to allow each  
15 public and Indian housing agency or recipient of  
16 other Federal housing and community development  
17 assistance to make appropriate job referrals and to  
18 determine the need for job training and other sup-  
19 port services.

20 “(2) That such agencies and other recipients  
21 provide to any contractor and the section 3 com-  
22 mittee names, priority status, and applications of  
23 low- and very low-income persons who have the skills  
24 identified by the contractor or the public housing  
25 agency for the work to be performed.

1           “(3) That such agencies and other recipients  
2 refer any low- or very low-income persons who are  
3 participants in the housing agency’s housing pro-  
4 grams and who are seeking qualifying skills to the  
5 one-stop delivery system for the area in which the  
6 work is to be done.

7           “(4) That such agencies and other recipients  
8 consult with contractors to ensure that low- and very  
9 low-income persons with the skills, knowledge, and  
10 abilities are provided a priority in hiring and are not  
11 passed over.

12           “(5) That such agencies and other recipients  
13 provide to the one-stop delivery system for the area  
14 in which the development where the work is to be  
15 done, a detailed description of the work to be done,  
16 including all projects for which it is accepting, or  
17 will be accepting, bids, and a list of the applicable  
18 priority categories (as set forth in subsection  
19 (c)(1)(B) and (c)(2)(B), so that eligible low- and  
20 very low-income persons may be appropriately  
21 trained.

22           “(6) That such agencies and other recipients  
23 make any other effort that may be necessary, includ-  
24 ing contacting and working with other job clearing-  
25 houses, job training centers, labor groups, and resi-

1       dent and community groups, to increase the number  
2       of low- and very low-income persons who are pro-  
3       vided with training and employment opportunities  
4       and a priority in accordance with subsections  
5       (c)(1)(B) and (c)(2)(B).

6       “(g) REPORTS.—

7               “(1) AGENCY REPORTS.—All public and Indian  
8       housing agencies shall report quarterly to the Sec-  
9       retary on the number of hours worked by persons el-  
10      igible for a priority under subsection (c)(1)(B) or  
11      (c)(2)(B) at the public and Indian agency and with  
12      their contractors. Grantees shall ensure that they  
13      and other recipients of housing and community de-  
14      velopment funds and their contractors report quar-  
15      terly to the Secretary on the number of hours  
16      worked by persons eligible for a priority under sub-  
17      section (c)(1)(B) or (c)(2)(B). The reports shall in-  
18      clude at a minimum current information by job cat-  
19      egory regarding the total number of hours worked  
20      by all persons and by persons within each priority.  
21      The reports shall also include current information  
22      about the dollar amount and the number of the con-  
23      tracts provided to section 3 businesses, by priority  
24      category and as a percentage of the total amount of  
25      contracts awarded.

1           “(2) REPORT TO CONGRESS.—The Secretary  
2 shall report annually to Congress a summary of in-  
3 formation derived from the quarterly reports re-  
4 quired under paragraph (1) and shall provide infor-  
5 mation on the total amount of Federal funds that  
6 are subject to section 3. For each program, includ-  
7 ing public housing and other Federal housing and  
8 community development assistance, by program, the  
9 report shall provide the number of jobs and training  
10 opportunities generated and the number of hours  
11 worked by low and very low income persons, and the  
12 number and amount of contracts and percentage of  
13 total contracts awarded to section 3 businesses.

14           “(h) FINES FOR NONCOMPLIANCE.—

15           “(1) FINES.—If a contractor of a public or In-  
16 dian housing agency or any other contractor for a  
17 project receiving assistance under this section fails  
18 to comply with the requirements of this section, such  
19 contractor shall be fined by the Secretary in an  
20 amount not less than 1 percent of the amount of the  
21 contract with such agency.

22           “(2) DEPOSIT OF AMOUNTS.—The Secretary  
23 shall make the amounts collected under paragraph  
24 (1) available to the respective section 3 committee in  
25 the locality where such fines are assessed for the

1 purpose of providing job training opportunities for  
2 low- or very low-income persons who reside in the  
3 area of the contract described in paragraph (1).”.

4 (b) REGULATIONS.—Not later than 180 days after  
5 the date of the enactment of this Act, the Secretary shall  
6 promulgate regulations to implement the requirements of  
7 subsections (e), (f), and (g) of section 3 of the Housing  
8 and Urban Development Act of 1968 (12 U.S.C. 1701u),  
9 including a requirement that public and Indian housing  
10 agencies include information regarding their compliance  
11 with this section in their five year plan, annual plans, or  
12 any alternative plan which calls for similar reporting.

13 (c) CONFORMING AMENDMENTS.—Section 3(c) of the  
14 Housing and Urban Development Act of 1968 (12 U.S.C.  
15 1701u(c) is amended—

16 (1) in paragraph (1)(A), by inserting before the  
17 period “, and development and operating assistance  
18 provided pursuant to any other Federal housing and  
19 community development assistance”;

20 (2) in paragraph (1)(B), by striking clause (iv)  
21 and inserting after clause (iii) the following:

22 “(iv) To participants in section 8 pro-  
23 grams administered by the public and In-  
24 dian housing agency.

1                   “(v) To other low-income persons re-  
2                   siding within the metropolitan area (or  
3                   nonmetropolitan county) in which the as-  
4                   sistance is expended, with preference to  
5                   very low-income persons.”;

6                   (3) in paragraph (2)(A), by adding at the end:  
7                   “The Secretary shall further ensure that permanent  
8                   opportunities for training and employment created  
9                   and retained as a result of housing and community  
10                  development assistance are given to low- and very  
11                  low-income persons residing within the metropolitan  
12                  area (or nonmetropolitan county) in which the  
13                  project is located.”; and

14                  (4) in paragraph (2)(B), by inserting “, with  
15                  preference to very low-income persons” after “very  
16                  low-income persons”.

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