



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-2000

ASSISTANT SECRETARY FOR  
FAIR HOUSING AND EQUAL OPPORTUNITY

Patrick J. Fuchs  
OMB Desk Officer  
Office of Management and Budget  
New Executive Office Building  
Washington, DC 20503

Dear Mr. Fuchs:

The U.S. Department of Housing and Urban Development is seeking emergency review of the Paperwork Reduction Act requirements for HUD's Section 3 Business Registry Pilot Program Participant and Recipient Surveys. The Notice of Paperwork Submission (copy enclosed), proposed for immediate *Federal Register* publication, explains the burden of the collection requirements and invites public comments on them. This is a new information collection.

In compliance with the requirements of 5 CFR 1320.13, this letter requests emergency processing within 14 days from the date of publication. This emergency processing is essential for the immediate assessment of the Section 3 Business Registry Pilot Program.

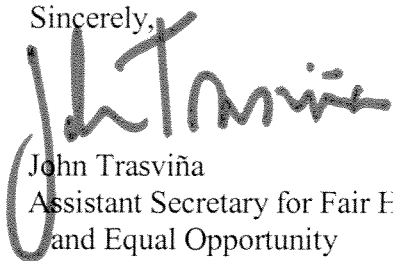
Section 3 of the Housing and Urban Development Act of 1968 requires recipients of HUD funds, to the maximum extent feasible, to make employment and training opportunities to low-income persons, particularly residents of public housing, and contracting opportunities to the companies that hire them. In previous years, compliance with Section 3 has been unsatisfactory. Recent HUD initiatives have focused on strengthening capacity and outcomes related to Section 3 hiring and contracting.

In November 2011, HUD launched the Section 3 Business Registry Pilot Program to enable recipients of HUD funding to locate Section 3 businesses for contracting opportunities. Since the Section 3 Business Registry will be implemented only as a 12-month pilot program that will not be extended, emergency review is necessary to allow HUD to begin to immediately evaluate its overall effectiveness and outcomes. Ultimately, emergency approval of the attached surveys will allow HUD to collect data from Section 3 businesses and HUD funding recipients that will be used to make policy decisions regarding the feasibility of implementing a national Section 3 Business Registry. If the Department is required to obtain PRA approval through the traditional process we will be unable to assess the Section 3 Business Registry during the limited duration of the pilot program.

Emergency approval is consistent with Congressional intent to provide employment and contracting opportunities to low- and very low-income persons and the businesses that employ them, pursuant to Section 3 of the Housing and Urban Development Act of 1968. This emergency review will also enable HUD to ensure that recipients of covered HUD funding have the capacity to meet the regulatory requirements of Section 3 and enhance our overall enforcement efforts.

Thank you for your consideration and assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "John Trasviña". The signature is written in a cursive style with a large initial "J".

John Trasviña  
Assistant Secretary for Fair Housing  
and Equal Opportunity

### Section 3 Business Registry Pilot Program Participant Survey

Business Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Sec3 Business ID #: \_\_\_\_\_

1. Which business category best describes your firm:

- a. Brick Masonry
- b. Carpentry
- c. Electrical
- d. General/Prime Contractor
- e. HVAC
- f. Information Technology (IT)
- g. Janitorial
- h. Landscaping
- i. Lead Hazard Control
- j. Maintenance
- k. Painting/Drywall
- l. Plumbing
- m. Security
- n. Other (describe): \_\_\_\_\_

2. Which definition of a Section 3 Business best describes your firm:

- a. 51% or more owned by Section 3 Residents
- b. 30% or more of current full-time employees are Section 3 Residents
- c. 25% of subcontracts awarded are provided to businesses that meet the definitions of  
a. or b. above

3. How did you hear about the Section 3 Business Registry:
  - a. HUD (Website sponsored meeting, local staff/
  - b. Public Housing Authority
  - c. Unit of Local Government (i.e., City , County, State agency)
  - d. Small Business Administration (SBA)
  - e. Local Chamber of Commerce
  - f. Workforce Investment Board or other Employment Agency
  - g. Other (describe) \_\_\_\_\_
  
4. How user-friendly would you rate the Section 3 Business Registry Website, Business Application, and Database?
  - a. Excellent
  - b. Fair
  - c. Poor
  - d. Unacceptable
  
5. How many HUD-funded contracting or subcontracting opportunities were you notified about by the recipient agencies or prime contractors in your Metropolitan Area between since you registered your business with HUD?
  - a. None
  - b. 1-4
  - c. 5-9
  - d. More than 10
  
6. How many qualified bids did you submit for HUD-funded contracts or subcontracts advertised by recipient agencies in your Metropolitan Area since you registered your business with HUD?
  - a. None
  - b. 1-4
  - c. 5-9
  - d. More than 10
  
7. How many HUD-funded contracts or subcontracts did you receive from recipient agencies or their prime contractors in your Metropolitan Area since you registered your business with HUD?
  - a. More than 10
  - b. 5-9
  - c. 1-4
  - d. None

8. As a result of the Section 3 Business Registry, did your business:
  - a. Receive more HUD-funded contracts
  - b. Receive fewer HUD-funded contracts
  - c. Experienced no change in the amount of HUD-funded contracts awarded
  
9. Do you believe that you were denied contracting/subcontracting opportunities by any recipient agency or their prime contractors since you registered your business with HUD?
  - a. Yes
  - b. No
  
10. If so, did you file a Section 3 complaint (form HUD 958) with the local HUD office in your jurisdiction?
  - a. Yes
  - b. No
  
11. Did any Section 3 residents contact you in search of employment opportunities as a result of being listed in the Section 3 Business Registry?
  - a. Yes
  - b. No
  
12. If so, please indicate the number:
  - a. 1-3 residents
  - b. 4-6 residents
  - c. 7-9 residents
  - d. 10 or more residents
  
13. Did you hire any additional Section 3 residents that contacted you as a result of the Business Registry?
  - a. Yes
  - b. No
  
14. If so, please indicate the number of Section 3 residents that you hired:
  - a. 1-3
  - b. 4-6
  - c. 7-9
  - d. 10 or more

15. Did you use the Section 3 Business Registry to notify prospective firms to award subcontracts to?

- a. Yes
- b. No

16. If so, please indicate the number of businesses that you notified:

- a. 1-3
- b. 4-6
- c. 7-9
- d. 10 or more

17. Have you awarded any subcontracts to businesses listed in the Section 3 Business Registry since you registered your business with HUD?

- a. Yes
- b. No

18. If so, please indicate the number of businesses in the registry that you awarded subcontracts to:

- a. 1-3
- b. 4-6
- c. 7-9
- d. 10 or more

19. Did you find that any of the firms in the Section 3 Business Registry misrepresented their status?

- a. Yes
- b. No

20. If so, please indicate the number of firms that misrepresented themselves and the steps that you took to address these findings:

21. As a result of the Section 3 Business Registry, do you believe that recipient agencies will:
- a. Be more likely to notify Section 3 Businesses about HUD-funded contracting opportunities
  - b. Neither increase or decrease their efforts to notify Section 3 Businesses about HUD-funded contracting opportunities
  - c. Be less likely to notify Section 3 Businesses about HUD-funded contracting opportunities

22. As a result of the Section 3 Business Registry, do you believe that **developers or contractors** will:
- a. Be more likely to award HUD-funded subcontracts to Section 3 Businesses
  - b. Neither increase or decrease their efforts to award HUD-funded subcontracts to Section 3 Businesses
  - c. Be less likely to award HUD-funded subcontracts to Section 3 Businesses

23. Would you recommend that the Section 3 Business Registry be implemented permanently nationwide?
- a. Yes
  - b. No

24. What suggestions do you have for expanding the Section 3 Business Registry beyond the timeframe of the pilot program?

25. The U.S. Small Business Administration (SBA) offers a number of services to help increase the capacity of Section 3 Businesses. Please indicate the types of services that you may be interested in receiving additional information and/or training on:
- a. Expanding Your Business
  - b. Writing a Business Plan
  - c. Loans, Grants, and Funding
  - d. Surety Bonds/Tax-Exempt Bonds
  - e. Licenses and Permits
  - f. Federal Contracting Opportunities
  - g. Other (describe) \_\_\_\_\_

### Section 3 Business Registry Pilot Program Recipient Survey

Agency Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State: \_\_\_\_\_

1. What is the total dollar amount of Section 3 covered contracts that your agency awarded since January 2012 to date?

\$ \_\_\_\_\_

2. How often did your agency use the Section 3 Business Registry Database since January 2012?
- a. Never
  - b. 1-5 times
  - c. 6-10 times
  - d. 11-19 times
  - e. 20 or more times
3. Did you instruct developers, general contractors, or other contractors to use the Section 3 Business Registry to locate prospective firms to award subcontracts to?
- a. Yes
  - b. No
4. Approximately, how many Section 3 Businesses did your agency notify about covered contracting opportunities?
- a. None
  - b. Less than 10
  - c. 10-24
  - d. 25-49
  - e. 50-100
  - f. More than 100



5. Approximately how many Section 3 Businesses did your **developers or contractors** notify about covered subcontracting opportunities?
- a. None
  - b. Less than 10
  - c. 10-24
  - d. 25-49
  - e. 50-100
  - f. More than 100
6. How did you and/or your developers or prime contractors notify Section 3 Businesses about covered contracting or subcontracting opportunities?
- a. Email Blasts
  - b. Pre-Bid Meetings
  - c. Telephone Calls
  - d. Personal Solicitations
  - e. All the Above
  - f. Other \_\_\_\_\_
7. Approximately how many Section 3 Businesses submitted bids for contracts or subcontracts since January 2012?
- a. None
  - b. Less than 10
  - c. 10-24
  - d. 25-49
  - e. 50-100
  - f. More than 100
8. Did the Section 3 Business Registry enhance your agency's ability to award contracts to Section 3 Businesses?
- a. Yes
  - b. No
9. Indicate the total dollar amount of construction contracts or subcontracts awarded to Section 3 Businesses by your agency, developers, or prime contractors since January 2012:

\$ \_\_\_\_\_

10. As a result of the Business Registry, did your agency, developers, or prime contractors:
- a. Award more HUD-funded contracts to Section 3 Businesses
  - b. Award fewer HUD-funded contracts to Section 3 Businesses
  - c. Experienced no change in the amount of HUD-funded contracts awarded to Section 3 Businesses

11. How would you rate the quality and variety of firms listed in the Section 3 Business Registry?

- a. Excellent
- b. Fair
- c. Poor
- d. Unacceptable

12. How user-friendly would you rate the Section 3 Business Registry Website and Database?

- a. Excellent
- b. Fair
- c. Poor
- d. Unacceptable

13. Describe the steps (due diligence) that your agency took to ensure that Section 3 Businesses listed in the registry applicable met Section 3 eligibility criteria and/or state, local, and federal procurement standards.

14. Did you find any firms that misrepresented themselves in the Section 3 Business Registry database?

- a. Yes
- b. No

15. If so, please indicate the number of firms that misrepresented themselves and the steps that you took to address these findings:

16. Would you recommend that the Section 3 Business Registry be implemented permanently nationwide?
- a. Yes
  - b. No

17. What suggestions do you have for expanding the Section 3 Business Registry beyond the duration of the pilot program?

# PAPERWORK REDUCTION ACT SUBMISSION

Please read the instructions before completing this form. For additional forms or assistance in completing this form, contact your agency's Paperwork Clearance Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: **Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 17th Street NW, Washington, DC 20503.**

<p>1. Agency/Subagency originating request</p> <p>X</p>	<p>2. OMB control number <span style="float: right;">b. <input type="checkbox"/> None</span></p> <p>a. _____</p>
<p>3. Type of information collection (check one)</p> <p>a. <input checked="" type="checkbox"/> New collection</p> <p>b. <input type="checkbox"/> Revision of a currently approved collection</p> <p>c. <input type="checkbox"/> Extension, without change, of a currently approved collection</p> <p>d. <input type="checkbox"/> Reinstatement, without change, of a previously approved collection for which approval has expired</p> <p>e. <input type="checkbox"/> Reinstatement, with change, of a previously approved collection for which approval has expired</p> <p>f. <input type="checkbox"/> Existing collection in use without an OMB control number</p>	<p>4. Type of review requested (check one)</p> <p>a. <input type="checkbox"/> Regular</p> <p>b. <input checked="" type="checkbox"/> Emergency - Approval requested by: ____/____/____</p> <p>c. <input type="checkbox"/> Delegated</p>
<p>3a. Public Comments</p> <p>Has the agency received public comments on this information collection?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>5. Small entities</p> <p>Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>6. Requested expiration date</p> <p>a. <input type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other Specify: ____/____/____</p>	
<p>7. Title</p> <p><b>Section 3 Business Registry Participant Survey and Section 3 Business Registry Recipient Survey</b></p>	
<p>8. Agency form number(s) (if applicable)</p>	
<p>9. Keywords</p> <p>Housing, HUD, Section 3, Fair Housing and Equal Opportunity, Economic Opportunities</p>	
<p>10. Abstract</p> <p>The information collected from the surveys will enable the Department to determine the feasibility of expanding the Section 3 Business Registry Pilot Program. The surveys will assist the Department with evaluating the effectiveness of the registry for increasing the award of contracts to Section 3 businesses and for improving the capacity of covered recipients to meet Section 3 requirements at 24 CFR part 135.</p>	
<p>11. Affected public (Mark primary with "P" and all others that apply with "X")</p> <p>a. <input type="checkbox"/> Individuals or households      d. <input type="checkbox"/> Farms</p> <p>b. <input checked="" type="checkbox"/> Business or other for-profit      e. <input type="checkbox"/> Federal Government</p> <p>c. <input type="checkbox"/> Not-for-profit institutions      f. <input checked="" type="checkbox"/> State, Local or Tribal Government</p>	<p>12. Obligation to respond (Mark primary with "P" and all others that apply with "X")</p> <p>a. <input checked="" type="checkbox"/> Voluntary</p> <p>b. <input type="checkbox"/> Required to obtain or retain benefits</p> <p>c. <input type="checkbox"/> Mandatory</p>
<p>13. Annual reporting and recordkeeping hour burden</p> <p>a. Number of respondents _____</p> <p>b. Total annual responses _____</p> <p>1. Percentage of these responses collected electronically _____ %</p> <p>c. Total annual hours requested _____</p> <p>d. Current OMB inventory _____</p> <p>e. Difference _____</p> <p>f. Explanation of difference</p> <p>1. Program change _____</p> <p>2. Adjustment _____</p>	<p>14. Annual reporting and recordkeeping cost burden (in thousands of dollars)</p> <p>a. Total annualized capital/startup costs _____</p> <p>b. Total annual costs (O&amp;M) _____</p> <p>c. Total annualized cost requested _____</p> <p>d. Current OMB inventory _____</p> <p>e. Difference _____</p> <p>f. Explanation of difference</p> <p>1. Program change _____</p> <p>2. Adjustment _____</p>
<p>15. Purpose of information collection (Mark primary with "P" and all others that apply with "X")</p> <p>a. <input type="checkbox"/> Application for benefits      e. <input type="checkbox"/> Program planning or management</p> <p>b. <input type="checkbox"/> Program evaluation      f. <input type="checkbox"/> Research</p> <p>c. <input type="checkbox"/> General purpose statistics      g. <input type="checkbox"/> Regulatory or compliance</p> <p>d. <input type="checkbox"/> Audit</p>	<p>16. Frequency of recordkeeping or reporting (check all that apply)</p> <p>a. <input type="checkbox"/> Recordkeeping      b. <input type="checkbox"/> Third party disclosure</p> <p>c. <input type="checkbox"/> Reporting</p> <p>1. <input type="checkbox"/> On occasion      2. <input type="checkbox"/> Weekly      3. <input type="checkbox"/> Monthly</p> <p>4. <input type="checkbox"/> Quarterly      5. <input type="checkbox"/> Semi-annually      6. <input type="checkbox"/> Annually</p> <p>7. <input type="checkbox"/> Biennially      8. <input type="checkbox"/> Other (describe) _____</p>
<p>17. Statistical methods</p> <p>Does this information collection employ statistical methods?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>18. Agency contact (person who can best answer questions regarding the content of this submission)</p> <p>Name: <u>Staci Gilliam</u></p> <p>Phone: <u>202-402-3468</u></p>

## 19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal agency, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

**Note:** The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320.8(b)(3), appear at the end of the instructions. *The certification is to be made with reference to those regulatory provisions as set forth in the instructions.*

The following is a summary of the topics, regarding the proposed collection of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention period for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
  - (i) Why the information is being collected;
  - (ii) Use of information;
  - (iii) Burden estimate;
  - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
  - (v) Nature and extent of confidentiality; and
  - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected (see note in Item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in Item 18 of the Supporting Statement.

Signature of Senior Official or designee



Date

8/6/2012

## SUPPORTING STATEMENT for PAPERWORK REDUCTION ACT SUBMISSION

### PART A- JUSTIFICATION

Information Collection: Section 3 Participant and Recipient Surveys

#### A1. Circumstances Making Information Collection Necessary

Section 3 of the Housing and Urban Development Act of 1968 requires recipients of HUD funds, to the maximum extent feasible, to make employment and training opportunities to low-income persons, particularly residents of public housing, and contracting opportunities to the companies that hire them. In previous years, compliance with Section 3 has been unsatisfactory. Recent HUD initiatives have focused on strengthening capacity and outcomes related to Section 3 hiring and contracting.

In November 2011, the Department of Housing and Urban Development (HUD) launched the Section 3 Business Registry Pilot program in five metropolitan areas—Detroit, Miami, New Orleans, Los Angeles, and Washington, DC. Under this pilot, HUD will offer a searchable online database that housing authorities, local government agencies, and contractors can use to identify firms that have self-certified their status as Section 3 Businesses and that hire local low-income individuals.

HUD's Section 3 Business Registry is based on similar federal businesses registries maintained by SBA and the Veterans Administration. It will allow firms that meet one of the three regulatory definitions of a Section 3 Business to self-certify their eligibility with HUD. Once registered, these firms will be placed into a searchable online database of Section 3 Businesses.

This information collection contains two surveys that are necessary for evaluating the effectiveness of the Section 3 Business Registry; determining outcomes; and developing policies regarding the Section 3 Business Registry.

This information collection will be limited to businesses that have self-certified their Section 3 eligibility to HUD and recipients of HUD funding located in the five pilot metropolitan areas. Responding to the survey is voluntary.

#### A2. How and By Whom the Data will be Used

This data will be used to assess the outcomes of the Section 3 business registry pilot program. Specifically, the surveys will determine the effects of the pilot program on the award of HUD-funded contracts to Section 3 businesses. The information will also be used to determine if the business registry has increased the capacity of recipients of HUD funding located in the five metropolitan areas to meet the regulatory requirements of Section 3.

A3. The Extent of the Collection of Information Involving the Use of Automated, Electronic, or Other Forms of Information Technological

Surveys will be submitted directly to HUD electronically via the Department's online portal.

A4. Efforts to Identify Duplication

This is a new information collection. There is no duplication of information.

A5. Efforts to Minimize the Burden on Small Entities

This information collection will be distributed to eligible businesses and recipients of HUD funding located in the five metropolitan areas listed above. Responding to this information collection is voluntary.

A6. Consequences of Less Frequent Data Collection

Without this information collection the Department would have no means of measuring the effectiveness of the Section 3 Business Registry Pilot program during its 12-month implementation.

A7. Circumstances Requiring Deviation from Guidelines of 5 CFR 1320.6

There is no deviation from the guidelines of 5 CFR 1320.6.

A8. Federal Register Publication

This information is collected in a manner consistent with guidelines of 5 CFR 1320.8(d).

A9. Incentive Payments and Gifts

This information collection does not involve any payment or gifts to respondents.

A10. Arrangements and Assurances Regarding Confidentiality

This information collection does not collect any confidential or sensitive data. Information collected may be released upon request.

A11. Sensitive Questions

This information collection does not contain requests for information of a sensitive nature.

A12. Estimate of Record-keeping and Reporting Cost Burden on Surveyors

This information collection does not result in any additional cost burden to respondents.

A13. Estimated Cost to the Federal Government

There will not be any additional cost to the Federal Government as a result of this information collection beyond the usual personnel cost to review survey responses.

A14. Reasons for Change in Burden

The proposed information collection is new and does not propose changes to any existing information collection.

A15. Reasons for Not Displaying the OMB Expiration Date

There is no request seeking approval to not display the expiration date for OMB approval of the information collection.

A16. Exceptions

There are no exceptions to the certification statement identified in Item 19 of OMB Forms 83-1.

PART B- EMPLOYMENT OF STATISTICAL METHODS

This information collection does not employ statistical methods.