

# *Labor and Debarment*

Kansas Housing Resources Corporation

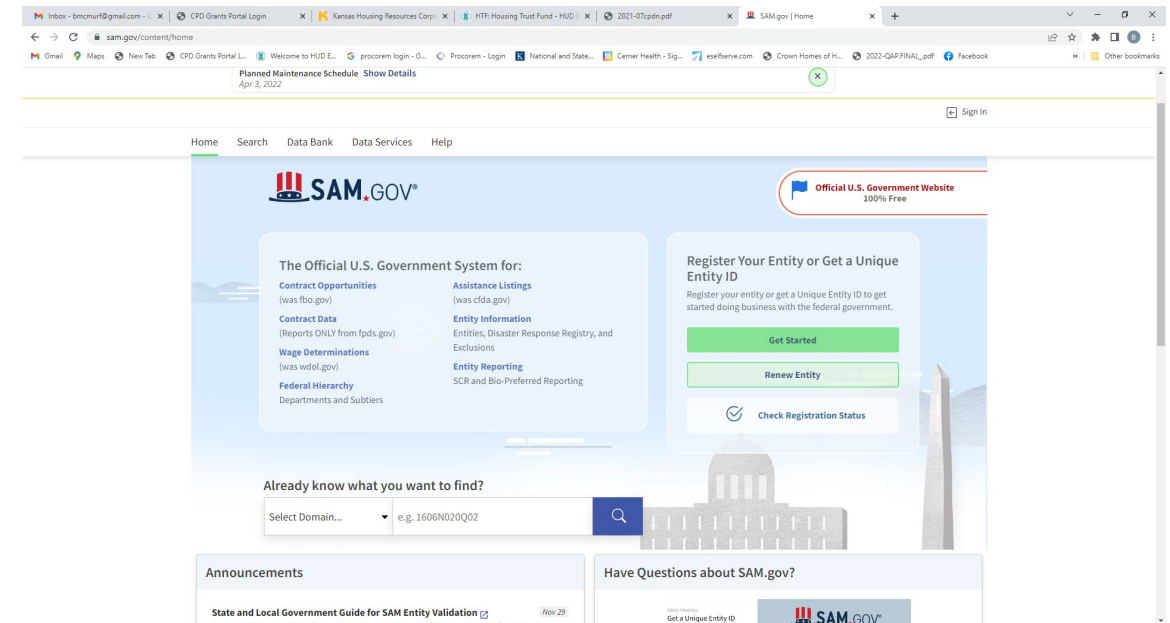


# Debarment

Owners, developers and contractors must not be debarred or excluded from receiving Federal funds.

If awarded, the ownership entity (LLC or LP), developer and general contractor must register in the System for Award Management at [www.sam.gov](http://www.sam.gov).

All other contractors will be required to submit a certification of non-debarment.

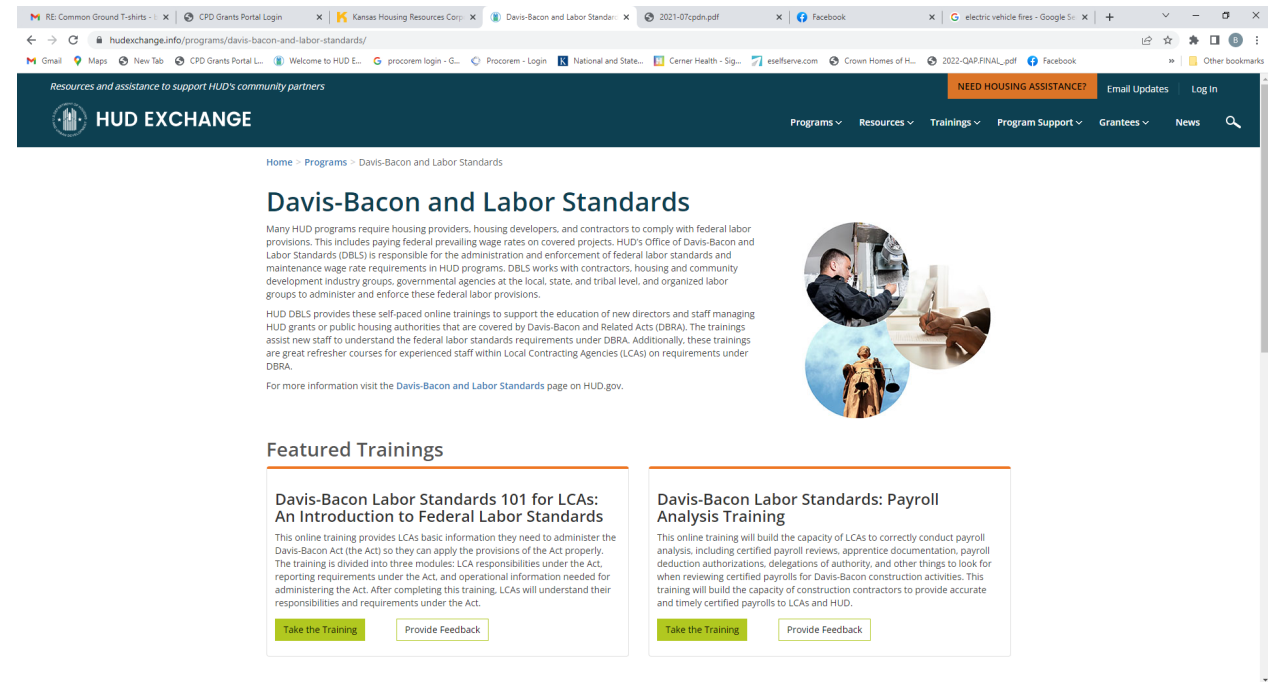


# Davis-Bacon

NHTF is not subject to Davis-Bacon requirements.

Davis-Bacon only applies to projects with 12 or more HOME-assisted units.

- the development team must have a process for determining those prevailing wages, maintaining weekly payroll records, and ensuring that all workers are paid in compliance with the wage determinations.



The screenshot shows a web browser displaying the HUD Exchange website. The page title is "Davis-Bacon and Labor Standards". The main content area includes a section titled "Davis-Bacon and Labor Standards" with a sub-header "Davis-Bacon and Labor Standards 101 for LCAs: An Introduction to Federal Labor Standards". Below this, there is a "Featured Trainings" section with two training cards. The first card is titled "Davis-Bacon Labor Standards 101 for LCAs: An Introduction to Federal Labor Standards" and the second is titled "Davis-Bacon Labor Standards: Payroll Analysis Training". Both cards have "Take the Training" and "Provide Feedback" buttons. The website header includes "HUD EXCHANGE" and navigation links for "Programs", "Resources", "Trainings", "Program Support", "Grantees", and "News".



# Section 3 Requirements

The revised Section 3 Final Rule can be found at 24CFR Part 75. Regulations and guidance can be found on HUD Exchange at: <https://www.hudexchange.info/programs/section-3/>

The screenshot shows a web browser window displaying the HUD Exchange website. The page title is "Notice CPD-21-07: Section 3 of the Housing and Urban Development Act of 1968, as Amended by the Housing and Community Development Act of 1992, Final Rule Requirements for HOME and HTF projects". The page includes a navigation menu with options like "Programs", "Resources", "Trainings", "Program Support", "Grantees", and "News". The main content area features a "Description" section with a paragraph of text, a "Resource Links" section with a bullet point, and a "Tags" section with "HOME", "HTF", and "Section 3". There are also "Print" and "ShareThis" buttons on the right side of the page.

RE: Common Ground T-shirts - | CPD Grants Portal Login | Kansas Housing Resources Corp. | Notice CPD-21-07: Section 3 of | 2021-07cpdn.pdf | Facebook | electric vehicle fires - Google S...

hudexchange.info/resource/6416/notice-cpd2107-section-3-of-the-housing-and-urban-development-act-of-1968/

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CPD Notices HUD Guidance

## Notice CPD-21-07: Section 3 of the Housing and Urban Development Act of 1968, as Amended by the Housing and Community Development Act of 1992, Final Rule Requirements for HOME and HTF projects

Date Published: July 2021

### Description

This Notice provides guidance to HOME Investment Partnerships Program (HOME) Participating Jurisdictions (PJs) and Housing Trust Fund (HTF) grantees, collectively referred to as grantees, on the requirements for Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992 (Section 3) that apply to HOME- and HTF-assisted rehabilitation or construction projects. This Notice outlines the key changes made by the notice, "Enhancing and Streamlining the Implementation of Section 3 Requirements for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses," published in the Federal Register on September 29, 2020 (the "final rule") and provides guidance for tracking and reporting compliance with the new requirements.

### Resource Links

- Notice CPD-21-07: Section 3 of the Housing and Urban Development Act of 1968, as Amended by the Housing and Community Development Act of 1992, Final Rule Requirements for HOME and HTF projects (PDF)

Tags: HOME HTF Section 3

Author Organization  
HUD

Resource Approver  
HUD Approved



# *Section 3 Requirements*

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Section 3 requirements apply to all HOME or NHTF developments receiving an award of \$200,000 or more in total federal financial assistance.

The Final Rule requires tracking of all hours worked on a project.



# Section 3 Requirements

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25% of hours worked on a project must be performed by Section 3 Workers

- workers earning an individual income at or below 80% of Area Median Income
- may also be someone employed by a 'Section 3 Business Concern' or someone who is participating in a Youth Build Program

5% of all work hours must go to Targeted Section 3 Workers who are:

- employed by a Section 3 Business Concern,
- a Youth Build participant, or
- living within the service area or neighborhood of the project.



# Section 3 Requirements

To meet safe harbor benchmarks, it will be demonstrated that efforts are made to recruit Section 3 and Targeted Section 3 Workers by:

- providing a Section 3 Plan describing effort that will be taken to hire Section 3 Workers
- Including language in all contracts or subcontracts regarding Section 3 compliance.

On a monthly basis owners will report:

- all labor hours worked on the project for the month
- labor hours worked by Section 3 and Targeted Section 3 workers for the month
- any outreach efforts conducted during the month

At project completion owners will provide an accounting of:

- all hours worked on the project
- total hours worked by Section 3 or Targeted Section 3 Workers
- a description of any efforts made to hire and/or train Section 3 Workers

