

meeting the housing needs of those families for which the national goal has not become a reality; and in the carrying out of such programs there should be the fullest practicable utilization of the resources and capabilities of private enterprise and of individual self-help techniques.

(Pub. L. 90-448, §2, Aug. 1, 1968, 82 Stat. 476.)

#### REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 90-448, Aug. 1, 1968, 82 Stat. 476, as amended, known as the Housing and Urban Development Act of 1968. For complete classification of this Act to the Code, see Short Title of 1968 Amendments note set out under section 1701 of this title and Tables.

#### CODIFICATION

Section was enacted as part of the Housing and Urban Development Act of 1968, and not as part of the National Housing Act which comprises this chapter.

#### LIMITATION ON WITHHOLDING OR CONDITIONING OF ASSISTANCE

Assistance provided for in Housing and Community Development Act of 1974, National Housing Act, United States Housing Act of 1937, Housing Act of 1949, Demonstration Cities and Metropolitan Development Act of 1966, and Housing and Urban Development Acts of 1965, 1968, [see Short Title notes set out under section 1701 of this title], 1969, and 1970 not to be withheld or made subject to conditions by reason of tax-exempt status of obligations issued or to be issued for financing of assistance, except as otherwise provided by law, see section 817 of Pub. L. 93-383, set out as a note under section 5301 of Title 42, The Public Health and Welfare.

#### NATIONAL ADVISORY COMMISSION ON LOW INCOME HOUSING

Section 110 of Pub. L. 90-448 established the National Advisory Commission on Low Income Housing; provided for the appointment of members and the filling of vacancies; fixed the quorum number and the number necessary to conduct hearings; provided that the Commission study ways of bringing safe and sanitary housing to low income families, utilize services of private research organizations, and coordinate its investigation with the Banking and Currency Committees of the Senate and House; required that an interim report be submitted by July 1, 1969 and a final report by July 1, 1970; authorized the Commission or a subcommittee to hold hearings and to administer oaths and affirmations; directed executive branch departments, agencies, and instrumentalities to furnish information requested by the Commission; empowered the chairman, without regard to the provisions of Title 5, Government Organization and Employees, governing appointments in the competitive service and relating to classification and General Schedule pay rates, to appoint and pay personnel as he deemed necessary and to procure temporary services, as is authorized by section 3109 of title 5, at rates up to \$50 a day for individuals; provided that members appointed from the executive or legislative branch serve without compensation in addition to that received in their regular employment but be reimbursed for travel, subsistence, and necessary expenses incurred while performing duties for the Commission and that members other than those appointed from the executive or legislative branches be paid \$75 a day plus travel, subsistence, and other necessary expenses while acting as members of the Commission; and directed that the Commission cease to exist 30 days after its final report.

### § 1701u. Economic opportunities for low- and very low-income persons

#### (a) Findings

The Congress finds that—

(1) Federal housing and community development programs provide State and local governments and other recipients of Federal financial assistance with substantial funds for projects and activities that produce significant employment and other economic opportunities;

(2) low- and very low-income persons, especially recipients of government assistance for housing, often have restricted access to employment and other economic opportunities;

(3) the employment and other economic opportunities generated by projects and activities that receive Federal housing and community development assistance offer an effective means of empowering low- and very low-income persons, particularly persons who are recipients of government assistance for housing; and

(4) prior Federal efforts to direct employment and other economic opportunities generated by Federal housing and community development programs to low- and very low-income persons have not been fully effective and should be intensified.

#### (b) Policy

It is the policy of the Congress and the purpose of this section to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.

#### (c) Employment

##### (1) Public and Indian housing program

###### (A) In general

The Secretary shall require that public and Indian housing agencies, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to give to low- and very low-income persons the training and employment opportunities generated by development assistance provided pursuant to section 1437c of title 42, operating assistance provided pursuant to section 1437g of title 42, and modernization grants provided pursuant to section 1437l of title 42.<sup>1</sup>

###### (B) Priority

The efforts required under subparagraph (A) shall be directed in the following order of priority:

(i) To residents of the housing developments for which the assistance is expended.

(ii) To residents of other developments managed by the public or Indian housing agency that is expending the assistance.

(iii) To participants in YouthBuild programs receiving assistance under section 2918a of title 29.

(iv) To other low- and very low-income persons residing within the metropolitan

<sup>1</sup> See References in Text note below.

area (or nonmetropolitan county) in which the assistance is expended.

**(2) Other programs**

**(A) In general**

In other programs that provide housing and community development assistance, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the project is located.

**(B) Priority**

Where feasible, priority should be given to low- and very low-income persons residing within the service area of the project or the neighborhood in which the project is located and to participants in YouthBuild programs receiving assistance under section 2918a of title 29.

**(d) Contracting**

**(1) Public and Indian housing program**

**(A) In general**

The Secretary shall require that public and Indian housing agencies, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to award contracts for work to be performed in connection with development assistance provided pursuant to section 1437c of title 42, operating assistance provided pursuant to section 1437g of title 42, and modernization grants provided pursuant to section 1437l of title 42,<sup>1</sup> to business concerns that provide economic opportunities for low- and very low-income persons.

**(B) Priority**

The efforts required under subparagraph (A) shall be directed in the following order of priority:

(i) To business concerns that provide economic opportunities for residents of the housing development for which the assistance is provided.

(ii) To business concerns that provide economic opportunities for residents of other housing developments operated by the public and Indian housing agency that is providing the assistance.

(iii) To YouthBuild programs receiving assistance under section 2918a of title 29.

(iv) To business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is provided.

**(2) Other programs**

**(A) In general**

In providing housing and community development assistance pursuant to other pro-

grams, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, contracts awarded for work to be performed in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

**(B) Priority**

Where feasible, priority should be given to business concerns which provide economic opportunities for low- and very low-income persons residing within the service area of the project or the neighborhood in which the project is located and to YouthBuild programs receiving assistance under section 2918a of title 29.

**(e) Definitions**

For the purposes of this section the following definitions shall apply:

**(1) Low- and very low-income persons**

The terms “low-income persons” and “very low-income persons” have the same meanings given the terms “low-income families” and “very low-income families”, respectively, in section 1437a(b)(2) of title 42.

**(2) Business concern that provides economic opportunities**

The term “a business concern that provides economic opportunities” means a business concern that—

(A) provides economic opportunities for a class of persons that has a majority controlling interest in the business;

(B) employs a substantial number of such persons; or

(C) meets such other criteria as the Secretary may establish.

**(f) Coordination with other Federal agencies**

The Secretary shall consult with the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Commerce, the Administrator of the Small Business Administration, and such other Federal agencies as the Secretary determines are necessary to carry out this section.

**(g) Regulations**

Not later than 180 days after October 28, 1992, the Secretary shall promulgate regulations to implement this section.

(Pub. L. 90-448, § 3, Aug. 1, 1968, 82 Stat. 476; Pub. L. 91-152, title IV, § 404, Dec. 24, 1969, 83 Stat. 395; Pub. L. 93-383, title I, § 118, Aug. 22, 1974, 88 Stat. 653; Pub. L. 96-399, title III, § 329, Oct. 8, 1980, 94 Stat. 1651; Pub. L. 102-550, title IX, § 915, Oct. 28, 1992, 106 Stat. 3878; Pub. L. 109-281, § 2(d)(1), Sept. 22, 2006, 120 Stat. 1181.)

REFERENCES IN TEXT

Section 1437l of title 42, referred to in subsecs. (c)(1)(A) and (d)(1)(A), was repealed by Pub. L. 105-276, title V, § 522(a), Oct. 21, 1998, 112 Stat. 2564.

## CODIFICATION

Section was enacted as part of the Housing and Urban Development Act of 1968, and not as part of the National Housing Act which comprises this chapter.

October 28, 1992, referred to in subsec. (g), was in the original “the date of enactment of the National Affordable Housing Act Amendments of 1992”, and was translated as meaning the date of enactment of the Housing and Community Development Act of 1992, Pub. L. 102-550, which amended this section generally, to reflect the probable intent of Congress.

## AMENDMENTS

2006—Subsecs. (c)(1)(B)(iii), (2)(B), (d)(1)(B)(iii), (2)(B). Pub. L. 109-281 substituted “YouthBuild programs receiving assistance under section 2918a of title 29” for “Youthbuild programs receiving assistance under subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act”.

1992—Pub. L. 102-550 amended section generally. Prior to amendment, section read as follows: “In the administration by the Secretary of Housing and Urban Development of programs providing direct financial assistance, including community development block grants under title I of the Housing and Community Development Act of 1974, in aid of housing, urban planning, development, redevelopment, or renewal, public or community facilities, and new community development, the Secretary shall—

“(1) require, in consultation with the Secretary of Labor, that to the greatest extent feasible opportunities for training and employment arising in connection with the planning and carrying out of any project assisted under any such program be given to lower income persons residing within the unit of local government or the metropolitan area (or non-metropolitan county), as determined by the Secretary, in which the project is located; and

“(2) require, in consultation with the Administrator of the Small Business Administration, that to the greatest extent feasible contracts for work to be performed in connection with any such project be awarded to business concerns, including but not limited to individuals or firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance or repair, which are located in or owned in substantial part by persons residing in the same metropolitan area (or nonmetropolitan county) as the project.”

1980—Par. (1). Pub. L. 96-399, §329(1), substituted “residing within the unit of local government or the metropolitan area (or nonmetropolitan county), as determined by the Secretary, in which the project is located” for “residing in the area of such project”.

Par. (2). Pub. L. 96-399, §329(2), substituted “residing in the same metropolitan area (or nonmetropolitan county) as the project” for “residing in the area of such project”.

1974—Pub. L. 93-383 inserted reference to community development block grants under title I of the Housing and Community Development Act of 1974.

1969—Pub. L. 91-152 substituted provisions making applicable programs providing direct financial assistance in aid of housing, urban planning, development, redevelopment, or renewal, public or community facilities, and new community development, for provisions making applicable programs authorized by sections 1715(d)(3), 1715z, and 1715z-1 of this title, the low-rent public housing program under the United States Housing Act of 1937, and the rent supplement program under section 101 of the Housing and Urban Development Act of 1965.

## EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109-281, §2(f), Sept. 22, 2006, 120 Stat. 1182, provided that: “This section [enacting section 2918a of Title 29, Labor, amending this section, section 4183 of Title 25, Indians, section 2939 of Title 29, and section 12870 of Title 42, The Public Health and Welfare, and re-

pealing sections 12899 to 12899i of Title 42] and the amendments made by this section take effect on the earlier of—

“(1) the date of enactment of this Act [Sept. 22, 2006]; and

“(2) September 30, 2006.”

## EFFECTIVENESS STUDY

Section 916 of Pub. L. 102-550 provided that:

“(a) IN GENERAL.—The Secretary of Housing and Urban Development shall submit to the Congress, not later than 1 year after the date of the enactment of this Act [Oct. 28, 1992], a report describing—

“(1) the Secretary’s efforts to enforce section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u];

“(2) the barriers to full implementation of section 3 of the Housing and Urban Development Act of 1968;

“(3) the anticipated costs and benefits of full implementation of section 3 of the Housing and Urban Development Act of 1968; and

“(4) recommendations for legislative changes to enhance the effectiveness of section 3 of the Housing and Urban Development Act of 1968.

“(b) CONTENTS.—

“(1) ENFORCEMENT.—The description under subsection (a)(1) of the Secretary’s enforcement efforts shall include, at a minimum—

“(A) a discussion of how responsibility for implementing section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u] is allocated within the Department of Housing and Urban Development;

“(B) a discussion of the status of existing regulations implementing such section 3;

“(C) a discussion of ongoing efforts to enforce current regulations;

“(D) a list of the programs under the responsibility of the Secretary with respect to which the Secretary is enforcing section 3; and

“(E) a separate description of the activities carried out under section 3 with respect to each of these programs.

“(2) IMPEDIMENTS.—The discussion under subsection (a)(2) of the external impediments to effective enforcement of section 3 of the Housing and Urban Development Act of 1968 shall include, at a minimum, a discussion of—

“(A) any lack of necessary training for targeted employees and technical assistance to targeted businesses;

“(B) any barriers created by Federal, State, or local procurement regulations or other laws;

“(C) any difficulties in coordination with labor unions;

“(D) any difficulties in coordination with other implicated Federal agencies; and

“(E) any lack of resources on the part of recipients of assistance who are responsible for carrying out section 3 of the Housing and Urban Development Act of 1968.

“(c) CONSULTATION.—In preparing the report under this subsection, the Secretary shall consult with the Secretary of Labor, the Secretary of Commerce, the Secretary of Health and Human Services, the Administrator of the Small Business Administration, other appropriate Federal officials, and recipients of Federal housing and community development assistance who are responsible for executing section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u].”

### § 1701v. Congressional findings and declaration for improved architectural design in Government housing programs

The Congress finds that Federal aids to housing have not contributed fully to improvement in architectural standards. This objective has been contemplated in Federal housing legisla-