

109TH CONGRESS
2D SESSION

H. R. 5164

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

IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 2006

Ms. VELÁZQUEZ (for herself, Mr. RANGEL, Mr. GUTIERREZ, Ms. NORTON, and Mr. MEEKS of New York) introduced the following bill; which was referred to the Committee on Financial Services

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”.

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

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

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

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

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

19 (B) by inserting after paragraph (2) the
20 following new paragraph:

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

25 (3) by inserting after subsection (d) the fol-
26 lowing new subsections:

1 “(e) REQUIREMENT FOR EMPLOYING LOW- AND
2 VERY LOW-INCOME PERSONS.—

3 “(1) TWENTY PERCENT REQUIREMENT.—

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

23 “(B) REQUIREMENT.—It shall be a condi-
24 tion of any assistance provided to a recipient of
25 other Federal housing and community develop-

1 ment assistance for housing rehabilitation,
2 housing construction, or other public construc-
3 tion projects and their contractors, that a min-
4 imum of 20 percent of all hours worked by em-
5 ployees of the recipient or its contractors shall
6 be performed by low- or very low-income per-
7 sons who qualify for a priority under subsection
8 (c)(2)(B).

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

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

21 “(ii) submit evidence to the satisfaction of
22 the contracting agency and the section 3 com-
23 mittee showing that a minimum of 20 percent
24 of all hours actually worked in connection with
25 such contract were in fact performed by low- or

1 very low-income persons who qualify for a pri-
2 ority under paragraphs (1)(B) and (2)(B) of
3 subsection (c); or

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

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

11 “(I) recruiting and conducting
12 job interviews at the affected develop-
13 ment, in the affected community, and
14 at training facilities;

15 “(II) working with the con-
16 tracting agency to advertise and re-
17 cruit low- and very low-income per-
18 sons; and

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

1 “(ii) provide to the contracting agency
2 and the section 3 committee, evidence, as
3 the Secretary shall by regulation require,
4 sufficient to show why low- or very low-in-
5 come persons who were referred by either
6 the contracting agency or by the one-stop
7 delivery system, or who otherwise made
8 themselves available did not have the skills,
9 knowledge, or abilities to perform the
10 work.

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

22 “(A) the contractor;

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

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

4 “(D) where possible, a community based
5 organization that has as its mission the pro-
6 motion of workforce development or economic
7 development in low-income communities;

8 “(E) where they exist, women and minority
9 trades organizations that offer employment
10 services with expertise in preparing skilled
11 workers for the construction field; and

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

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

21 “(f) RECRUITMENT, REFERRAL, AND TRAINING RE-
22 QUIREMENTS.—The Secretary shall require the following
23 of public and Indian housing agencies and recipients of
24 other Federal housing and community development assist-
25 ance:

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

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

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

13 “(4) That such agencies and other recipients
14 consult with contractors to ensure that low-and very
15 low-income persons with the skills, knowledge, and
16 abilities are provided a priority in hiring and are not
17 passed over.

18 “(5) That such agencies and other recipients
19 provide to the one-stop delivery system for the area
20 in which the development where the work is to be
21 done, a detailed description of the work to be done,
22 including all projects for which it is accepting, or
23 will be accepting, bids, and a list of the applicable
24 priority categories (as set forth in subsection
25 (c)(1)(B) and (c)(2)(B), so that eligible low- and

1 very low-income persons may be appropriately
2 trained.

3 “(6) That such agencies and other recipients
4 make any other effort that may be necessary, includ-
5 ing contacting and working with other job clearing-
6 houses, job training centers, labor groups, and resi-
7 dent and community groups, to increase the number
8 of low- and very low-income persons who are pro-
9 vided with training and employment opportunities
10 and a priority in accordance with subsections
11 (c)(1)(B) and (c)(2)(B).

12 “(g) REPORTS.—

13 “(1) AGENCY REPORTS.—All public and Indian
14 housing agencies shall report quarterly to the Sec-
15 retary on the number of hours worked by persons el-
16 igible for a priority under subsection (c)(1)(B) or
17 (c)(2)(B) at the public and Indian agency and with
18 their contractors. Grantees shall ensure that they
19 and other recipients of housing and community de-
20 velopment funds and their contractors report quar-
21 terly to the Secretary on the number of hours
22 worked by persons eligible for a priority under sub-
23 section (c)(1)(B) or (c)(2)(B). The reports shall in-
24 clude at a minimum current information by job cat-
25 egory regarding the total number of hours worked

1 by all persons and by persons within each priority.
2 The reports shall also include current information
3 about the dollar amount and the number of the con-
4 tracts provided to section 3 businesses, by priority
5 category and as a percentage of the total amount of
6 contracts awarded.

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

20 “(h) FINES FOR NONCOMPLIANCE.—

21 “(1) FINES.—If a contractor of a public or In-
22 dian housing agency or any other contractor for a
23 project receiving assistance under this section fails
24 to comply with the requirements of this section, such
25 contractor shall be fined by the Secretary in an

1 amount not less than 1 percent of the amount of the
2 contract with such agency.

3 “(2) DEPOSIT OF AMOUNTS.—The Secretary
4 shall make the amounts collected under paragraph
5 (1) available to the respective section 3 committee in
6 the locality where such fines are assessed for the
7 purpose of providing job training opportunities for
8 low- or very low-income persons who reside in the
9 area of the contract described in paragraph (1).”.

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

19 (c) CONFORMING AMENDMENTS.—Section 3(c) of the
20 Housing and Urban Development Act of 1968 (12 U.S.C.
21 1701u(c) is amended—

22 (1) in paragraph (1)(A), by inserting before the
23 period “, and development and operating assistance
24 provided pursuant to any other federal housing and
25 community development assistance”;

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

3 “(iv) To participants in section 8 pro-
4 grams administered by the public and In-
5 dian housing agency.

6 “(v) To other low-income persons re-
7 siding within the metropolitan area (or
8 nonmetropolitan county) in which the as-
9 sistance is expended, with preference to
10 very low-income persons.”;

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

19 (4) in paragraph (2)(B), by inserting “, with
20 preference to very low-income persons” after “very
21 low-income persons”.

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