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**FORWARDED BY MIKE GIFFORD: Section 3 New Rule Training. What's Wrong with Section 3 Now?**

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To: jhaining@gmail.com

Mon, Feb 14, 2022 at 11:24 AM

**Housing Agency Procurement Assistance**

Housing Agency Procurement Assistance

Dear Housing Professional,

I am distributing this Notice nationwide as a public service to housing agencies. The Section 3 Program has changed dramatically (and, in my opinion, NOT "for the better!"), and these changes will probably have a dramatic affect on your housing agency's ability to provide services, not just pertaining to procurement and contracts, but pertaining to your programs overall.

I have recently issued a number of Notices pertaining to these changes that can be viewed within the "Notices Issued" area of my website, [procurementassistance.org](http://procurementassistance.org).

I am NOT to be considered to be a Subject Matter Expert pertaining to this revised Section 3 Program. If you have any questions or concerns pertaining to the Section 3 program, I continue to direct folks to contact Mr. Keith Swiney of Motivation, Inc. (he is my "go to" person pertaining to Section 3). The Motivation, Inc. website (link follows) contains his contact information. I found the following information of interest and am distributing it to other because some may also find it of interest and benefit.

[Motivation, Inc.](#)

Regards,  
**Mike Gifford, C.P.M., CPSD**  
Housing Agency Procurement Assistance (HAPA)

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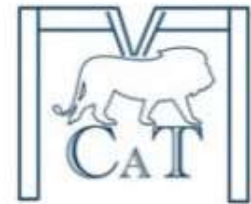
**BEGINNING OF MESSAGE**

Motivation, Inc.



Is Now!

Motivation Compliance And Training, Inc.  
(M-CAT)



See page 2 for details

Community Development Recipients and Contractors Only

## WHAT'S WRONG WITH SECTION 3 NOW!

### VIRTUAL NEW RULE BREAKDOWN TRAINING

March 1, 2022 - 1:00PM to 4:00PM (Eastern Time)

For over 50 years, recipients, developers, and contractors have complained constantly about how they hated Section 3. I recall hearing about the old rule many times and complaints like:

- ★ Section 3 is an unfunded mandate
- ★ Section 3 is not fair to labor unions and disrespects labor agreements
- ★ Section 3 isn't important to HUD, so it wasn't important to them as a recipient
- ★ Section 3 was stupid and the goals were unattainable
- ★ Section 3 residents didn't want to work
- ★ Section 3 took good jobs from more qualified people

In 2020, HUD responded to all of those complaints by finalizing a new Section 3 rule that solves all of these concerns and more by writing these words:

**Nothing in this part shall be construed to require the employment of someone who meets this definition of a Section 3 worker.** Section 3 workers are not exempt from meeting the qualifications of the position to be filled.

**Nothing in this part shall be construed to require the contracting or subcontracting** of a Section 3 business concern. Section 3 business concerns are not exempt from meeting the specifications of the contract.

Recipients may report their own labor hours or that of a sub-recipient, contractor, or subcontractor based on the employer's **good faith assessment of the labor hours...**

In short, **HUD removed all emphasis on Section 3 hiring, employment, or contracting.**

[Click Box for Full Registration Package CORRECTED PARTS](#)

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**Our mailing address is:**

Motivation, Inc.  
PO Box 486  
Dallas, GA 30132

**END OF MESSAGE**

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**ABOUT MIKE GIFFORD:** Please feel free to visit my no-charge procurement and contracts-mentoring web site, [www.procurementassistance.org](http://www.procurementassistance.org). After you register, you will receive a username and password to access the material and documents on the website.

I have a consulting practice providing procurement- and contracts-related mentoring, training, and technical assistance to housing agencies. I help housing agencies conduct procurement and contracts in a HUD-compliant and "best practice" manner. [Click here](#) to see my full resume. Please do not hesitate to contact me if you have any questions or concerns pertaining to procurement and contracts (initial answering of questions is "no charge"). As I am either on-the-road or on the phone a lot, an initial contact by e-mail is best; please be sure to include your return telephone number (office/cellular) so that I can call you back.

This email was sent to [jhaining@gmail.com](mailto:jhaining@gmail.com) by HAPA  
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Las Vegas, NV 89134

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