



ASSISTANT SECRETARY FOR
FAIR HOUSING AND EQUAL OPPORTUNITY

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

NOV 17 2009

Harry C. Alford
President/CEO
National Black Chamber of Commerce
1350 Connecticut Avenue NW
Suite 405
Washington, DC 20036

Dear Mr. Alford:

Thank you for your recent letter to Secretary Shaun L. Donovan regarding enforcement of Section 3 of the Housing & Urban Development Act of 1968. I met with you at the Community Service Society's briefing on Section 3 in the U.S. Capitol.

As you know from our conversation and my public statements, the Department is undertaking a multi-pronged strategy to revitalize Section 3 enforcement and make good on the government's promise that Housing & Urban Development funds promote training and employment opportunities for low-income and very low-income individuals and contracting companies who hire them.

Last month, the Assistant Secretaries of Public & Indian Housing and Community Development joined me in a letter to over 3000 local and state agencies notifying them that their 2008 Section 3 reports had not been filed with the Department. I am pleased to see that we are witnessing a substantial increase in reporting as a direct result of the letters. We are giving jurisdictions until November 30, 2009 to comply. I plan to share with you and other stakeholders once we receive the reports and are able to evaluate them.

We are also working to train federal government and non-federal staff on the requirements of Section 3 and ways to monitor and enhance compliance. We aim to use all investigation and enforcement tools at our disposal to improve compliance and to promote job and economic opportunities under Section 3. We have the authority to impose sanctions, including suspension, or limited denial of participation in HUD programs against agencies that are in noncompliance and refuse to take effective strategies to achieve compliance.