Section 3 Business Preference Explanation
(IFB Attachment H)

Be aware that the Agency previously conducted IFB's that required bidders and contractors to comply with the requirements of 24 CFR §135*, Economic Opportunities for Low- and Very Low-Income Persons* (a.k.a., Section 3).

However, earlier this year the U.S. Department of Housing and Urban Development (HUD) discontinued these former requirements and implemented the requirements of 24 CFR §5, 14, 75, 91, 92, 93, 135, 266, 570, 574, 576, 578, 905, 964, 983, and 1000, entitled *Enhancing and Streamlining the implementation of Section 3 Requirements for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses*.

Accordingly, these new Section 3 regulations do not provide for firms to request a Section 3 Business Preference when the firm submits a bid. The Agency will advise all firms if these requirements change.