

## Section 3 Registry

The Section 3 Business Registry is a listing of firms that have self-certified that meet one of the regulatory definitions of a Section 3 business and are included in a searchable online database that can be used by agencies that receive HUD funds, developers, contractors, and others to facilitate the award of certain HUD-funded contracts. The database can also be used by Section 3 residents to identify businesses that may have HUD-funded employment opportunities. This registry is a helpful tool to assistant recipients of HUD funding (e.g., Public Housing Agencies, local units of government, property owners, etc.), developers, and others locate Section 3 businesses within their community. It also enables HUD grantees to meet their Section 3 obligations by reducing some of the burden associated with locating eligible businesses.

It is important to note that Section 3 businesses are not entitled to receive contracts simply by being listed in HUD's Section 3 Business Registry database. Eligible businesses may need to demonstrate that they are responsible and have the ability to perform successfully under the terms and conditions of proposed contracts. Section 3 requirements at 24 CFR 135, then provides preference for contracts and subcontracts to these firms-but not a guarantee. While the Department maintains the Business Registry database, it has not verified the information submitted by the businesses and does not endorse the services they provide. Accordingly, it is recommended that users perform due diligence before awarding contracts to firms that have self-certified on this registry by ensuring that they meet the definition of a Section 3 business concern as defined by the Department's regulations at 24CFR135.5.

The general public can notify the Department through the Business Registry website if they believe a firm has potentially misrepresented themselves as a Section 3 business. In such situations, HUD will request documentation and additional information from the business to verify that they qualify for inclusion in the database. Businesses found to have misrepresented themselves will be removed from the database and penalized (see registry webpage for more information). To search the database for self-certified Section 3 businesses, register your business for inclusion, or for more information on the Business Registry, please visit <http://www.hud.gov/Sec3Biz>.

[Register for Section 3 Self Certification](#)

### **SECTION 3 BUSINESS CONCERN MEANS**

1. 50% or more of your business is owned by a Section 3 Resident; or
2. The company/business permanent, full-time employees include persons, at least 30% of whom are currently Section 3 residents or within three years of the date of first employment with the business were Section 3 resident(s); or
3. The company/business provides evidence of a commitment to subcontract in-excess-of 25% of the dollar award of all subcontracts to be awarded to the business that meet the qualifications set forth in number 1 or 2 above.