

Revived and Discouraged: Evaluating Employment Barriers for Section 3 Residents With Criminal Records

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ABSTRACT

Section 3 was established in the Housing and Urban Development (HUD) Act of 1968 to provide employment for public housing residents in distressed communities while rebuilding underserved neighborhoods. As a provision that recipients of HUD funding must comply with, Section 3 reporting agencies are having trouble securing employment for ex-offenders. This is problematic since low-income ex-offenders unable to secure stable employment are more likely to recidivate. Research evaluating the specific barriers to employment for Section 3 residents with criminal records and policy recommendations are sparse although the problem is prevalent in communities nationwide. This study uses San Antonio, Texas as an example for conducting a policy review to identify the barriers to employment for Section 3 ex-offenders. The results of the qualitative analysis indicate that at the national level, HUD and the Section 3 provision do not create barriers to employment but state and local policies and practices do.

ARTICLE HISTORY

Received 8 June 2015
Accepted 30 October 2015

KEYWORDS

Economic opportunities;
Section 3; ex-offenders;
employment barriers

The consequences of mass incarceration have been well documented in recent years across a wide range of disciplines. Given the reality that most incarcerated individuals are eventually released, the process of offender reentry and reintegration has emerged as a considerable challenge facing many communities. At least 600,000 individuals have been released from prison each year since 2000 with an average of 677,393 annually over that span (Carson, 2014; Carson & Golinelli, 2013). Low-income, minority-concentrated communities are disproportionately impacted by mass incarceration, have higher rates of residential instability, and are, therefore, additionally burdened by reentering individuals that encounter barriers that prevent self-sufficiency (Morenoff & Harding, 2011; Petersilia, 1985; Pettit & Western, 2004; Sampson & Groves, 1989). Housing policies have historically perpetuated the concentration of poverty in these communities (Massey & Kanaiaupuni, 1993; Turner, Popkin, & Rawlings, 2008), which have been plagued by social deviance and joblessness (Wilson, 1987, 1996). The perpetuation of disinvestment in distressed neighborhoods and the inability for these communities to address these problems exacerbates this phenomenon (Galster, Cutsinger, & Lim, 2007; Orfield, 1997; Popkin, Cunningham, & Burt, 2005; Powell, 2002).

Ex-offenders face considerable barriers to successful reentry into society that extend the impact of incarceration well beyond their initial sentence. One of the most significant barriers faced by reentering individuals is access to and retention of employment (Holzer, Raphael, & Stoll, 2003; Solomon, Dedel Johnson, Travis, & McBride, 2004). A considerable body of research has identified many reasons why

formerly incarcerated individuals have trouble gaining and maintaining employment. These reasons include both supply side (i.e., characteristics and attitudes of returning individuals) and demand side (i.e., employer and labor market forces) barriers. The cumulative effect of these barriers is that individuals returning from incarceration generally face lower employment rates, limited lifetime earnings, and are disproportionately denied jobs relative to similarly situated individuals without a history of criminal justice system involvement (Holzer et al., 2003; Travis, Western, & Redburn, 2014). These barriers are further complicated by the “spatial mismatch” which refers to the lack of skill-appropriate jobs in the communities where released prisoners are most likely to return (Solomon et al., 2004, p. 13).

The fact that reentering individuals encounter substantial barriers in securing employment places an additional burden on already disadvantaged communities (Morenoff & Harding, 2011; Petersilia, 1985; Pettit & Western, 2004). To help ameliorate the burden placed on these communities, numerous policies and interventions have been implemented to help individuals returning from incarceration to successfully reintegrate and become contributing members of the community. One such policy, although not restricted to ex-offenders and originally intended for public housing residents, is the U.S. Department of Housing and Urban Development’s (HUD) Section 3 provision. Section 3 is a law that requires recipients of HUD funding, which include public housing authorities (PHAs) and local governments, to offer employment and economic opportunities to low-income residents, low-income business owners, and businesses who hire low-income residents. Although some agencies have established Section 3 programs, the provision itself is merely a law that directs procurement procedures and reporting requirements for agencies that receive funding from HUD and does not offer any additional funding to meet the provision or expand programming and job training.

The resurgence of Section 3, kindled by the American Reinvestment and Recovery Act of 2009, has encouraged HUD funding recipients to implement strategic procedures and programs to meet provision guidelines. As direct recipients of HUD funding, PHAs and local governments are not only finding new ways to comply with the minimum requirements, but are using the provision as a way to help their residents toward self-sufficiency (Reckdahl, 2014). One of the greatest challenges reported by agencies that have established Section 3 programs is securing employment for residents with criminal records (R. Evans, personal communication, November 5, 2014; T. Larralde, personal communication, October 6, 2014). Unemployed low-income individuals who reside in distressed neighborhoods are encouraged to register as a Section 3 resident and participate in apprenticeship and job training programs. The registration process requires the resident to fill out paperwork with the local HUD reporting agency and verify that they are low income. Section 3 residents with criminal records often comply with all job training and statutory requirements but are still unable to secure employment. Felonies and past criminal histories deny opportunities, discourage both the efforts of Section 3 reporting agencies and residents, and impede the reintegration process. This is problematic as previous research has found that ex-offenders unable to secure stable employment are more likely to recidivate (Visher, Debus, & Yahner, 2008). Additionally, gaining stable employment has been identified as a potential turning point that may foster desistance from crime (Laub & Sampson, 2003; Maruna, 2001; Sampson & Laub, 1993).

Barriers to employment for Section 3 residents with criminal records are not an isolated phenomenon. With more than \$12 billion of applicable HUD Section 3 funding streams and more than 5,000 direct recipients, most urban communities in the United States have been subject to the Section 3 provision (Strengthening the Effectiveness of Section 3, 2009). Section 3 has the potential to generate between 67,000 and 112,000 jobs and HUD estimates 1.9 to 3.1 new jobs are created from every \$1 million spent in construction and rehabilitation (Austin & Gerend, 2009). Section 3 specifically applies to low-income minorities residing in distressed areas, a section of society that is also disproportionately impacted by incarceration (Morenoff & Harding, 2011; Petersilia, 1985; Pettit & Western, 2004). If agencies that specialize in expanding opportunities for disadvantaged populations are struggling with innovative ways to secure stable employment for ex-offenders, it is likely that additional substantial barriers exist with private employers. This has important implications for ensuring both the positive adjustment of ex-offenders upon reentry into the community and public safety. If local governments and PHAs are

able to find solutions to serve as a model for the community, a substantial impact on the expansion of employment opportunities for ex-offenders may be accomplished.

In light of these implications, the current study addresses three research questions. First, to what extent do existing practices create barriers to employment for Section 3 residents with criminal records? Second, what are the underlying structural conditions that preserve these barriers? Third, how can employment opportunities for Section 3 residents with criminal backgrounds be expanded? This review examines the extent to which policies may exclude otherwise eligible participants because of their criminal record. Fundamental challenges and the extent to which existing practices are creating obstacles to employment are discussed. Finally, a research agenda for better understanding the impact of Section 3 is proposed.

This research not only fills a gap in the existing literature, it contributes to a novel subject of inquiry. Not only has Section 3 rarely been discussed in the literature, the challenge of expanding economic opportunity for arguably the most vulnerable Section 3 population has been ignored. This research is timely as HUD recently revived the more than 40-year-old Section 3 provision under the American Reinvestment and Recovery Act of 2009 and HUD recipients have been unequivocally implementing procedural measures to be in compliance with the provision. In addition, on March 27, 2015, HUD introduced new proposed rules for Section 3 for the first time in 20 years. Furthermore, the U.S. Sentencing Commission's vote over the summer of 2014 to reduce sentencing for federal drug trafficking offenders is likely to grant thousands of prisoners an earlier return to their families and society by the end of 2015 (U.S. Sentencing Commission, 2014). These prisoners often return to distressed neighborhoods (Morenoff & Harding, 2011) and are likely eligible to register as a Section 3 resident. Developing effective solutions to expand employment opportunities for returning citizens is necessary for successful reentry.

The following section provides an overview of the purpose and implementation of Section 3, the history of the provision, and the current status of the law. The second part of this study uses San Antonio, Texas, to evaluate the aforementioned research questions more closely. The impediments and challenges associated with the restrictions imposed on economic opportunity for ex-offenders are explored. Employment barriers to labor market success among ex-offenders and how these impediments have been addressed are discussed. The policy review results in a series of recommendations that are made for expanding employment opportunities for returning citizens to reduce recidivism that can be adopted nationwide. As a new research area, this article concludes on future direction for investigation on this subject.

Section 3

Purpose and Implementation of the Section 3 Provision

To address unemployment, combat poverty, and leverage government investments, Section 3 was enacted in the Housing and Urban Development Act of 1968 to expand economic opportunities and self-sufficiency for public housing residents in communities benefiting from HUD funding. The purpose of the 1968 act was to provide a decent home for every American; it was acknowledged, however, that housing programs alone could not defeat poverty. Section 3 was one of several provisions adopted in this comprehensive strategy to fight poverty and improve the quality of life for all Americans (National Housing Law Project, 2009). Recognizing that the poor often have limited access to opportunities for employment, the provision required recipients of HUD funding to provide employment and training opportunities for low-income residents residing in areas benefiting from HUD funding. HUD's investment in local economies is twofold: (a) distressed areas are revitalized; and (b) local residents receive training and employment.

Section 3 compliance is required for all grantees of HUD funding on housing and community development and redevelopment projects. Typical HUD funding recipients include PHAs, states, counties, and municipalities. The provision also applies to subgrantees such as developers and contractors. The obligation is more stringent for PHAs and they must comply with Section 3 on all development,

rehabilitation, maintenance, and operational housing activities regardless of the PHA size (Economic Opportunities, 2004). The Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOWPA), Housing Opportunities for People Everywhere (HOPE VI), Emergency Solutions Grants (ESG), Economic Development Initiative/Brownfield Economic Development Initiative, Economic Stimulus Funds, 202/811 Grants, Lead Hazard Control Grants, and University Partnership Grants are subject to the provision not only for PHAs but any local governments or agencies that receive housing and community development assistance from HUD in excess of \$200,000.

Applicable projects require that at least 30% of all new hires are Section 3 residents. Grantees are responsible for providing training in conjunction with employment. Public housing residents automatically qualify and all individuals earning below 80% of the area median income in a county with an applicable project qualify (Sard & Kubic, 2009). Businesses with at least 51% of the ownership belonging to Section 3 residents or have a workforce of at least 30% of full-time employees that are Section 3 residents qualify as compliant with the provision.

Recipients must report annually to HUD by submitting Form HUD-60,002 (Economic Opportunities, 2004). The Fair Housing and Equal Opportunity office oversees the legal obligations of Section 3 (Bailey, Lynn, & Doolittle, 1996; Office of the Inspector General, 2003). HUD's report on the most recent outcomes of Section 3 indicates that in 2012 there were a total of 27,166 new Section 3 hires, 7,600 Section 3 businesses that were awarded contracts, and approximately \$916,600,000 awarded in Section 3 contracts (U.S. Department of Housing & Urban Development (HUD), 2014; U.S. Department of Housing & Urban Development & U.S. Department of Labor (HUD & DOL), 2015). Typical employment positions that are generated from Section 3 compliant contracts are in the building services and construction sector (Bailey et al., 1996), which include: general laborers, painters, plumbers, carpenters, and tile setters, for example. Other opportunities, not as common, include administrative and management positions (e.g., word processing and bookkeeping) and services (e.g., marketing, janitorial, manufacturing, and transportation).

Several reporting agencies have established Section 3 programs as a means not only to comply with the provision but to offer programming for their residents that promote self-sufficiency. For instance, the Jersey City Housing Authority has targeted young male residents to provide job training and employment by developing a painters and plasterers apprenticeship programs with local unions. The Housing Authority of the City of Fort Lauderdale, Florida also targets young males and offers a state certified apprenticeship program called "Step-Up" in general construction and maintenance. The majority of their apprentices are residents in the community the PHA serves but are not participating in other assisted housing programs and have criminal records that include felonies. The Housing Authority of Baltimore City, Maryland and Chicago, Illinois Housing Authority also have similar "Step-Up" programs. The Housing Authority of the City of Los Angeles, California approaches Section 3 as grounds to build educational and job skills that can be transferred to the community. Los Angeles has established internal subsidiary companies that provide training and employment in conjunction with the PHA (Bailey et al., 1996). These are just a few examples that demonstrate how Section 3 reporting agencies have turned the provision into programs to meet the original intent of the Housing and Urban Development Act of 1968.

History of Section 3

Section 3 was enacted during the third major phase in U.S. National Housing Policy-Social Unrest and Policy Reassessment from 1958–1968 (Bourne, 1981). At this time, social discontent was common, there was growing dissatisfaction with urban renewal, and the concentration of public housing in poor inner city neighborhoods were creating "second ghettos" (Orfield, 2006). Scholars have linked public housing and urban renewal to exacerbating isolation and segregation that limit opportunities for poor families and fueled this period of social unrest (Goering, Kamely, & Richardson, 1997; Jargowsky, 1997, 2002; Massey & Kanaiaupuni, 1993; Wilson, 1987).

Although the Watts riot in 1965 is recognized as one of the most extreme illustrations of social unrest and racial tension in America, it can also be credited as a direct motivator of Section 3 enactment. The 6-day riot centered in South Central Los Angeles over Marquette Frye's arrest resulted in 34 deaths, more than 1,000 injuries, almost 4,000 arrests, and approximately \$40 million in property damage. Longstanding grievances including inadequate schools, police brutality, substandard housing, and high unemployment rates fueled the riot (Sears & McConahay, 1973). The aftermath of the Watts riot and those that followed in 1967 in Detroit, Michigan, Newark, New Jersey, and around the nation devastated the landscape in distressed communities and significantly impacted employment and income potential in the Black community (Collins & Margo, 2004).

The National Advisory Commission on Civil Disorders (The Kerner Report) of 1967 linked pervasive unemployment and underemployment to the riots. The commission's recommendations included reducing barriers and expanding opportunity in housing, education, and employment for those impacted by discrimination. Beginning on March 5, 1968, the hearings before the Subcommittee on Housing and Urban Affairs in the second session of the United States Senate Ninetieth Congress addressed the recommendations in the Kerner Report, and on August 1, the Section 3 provision was born in the Housing and Urban Development Act of 1968.

The Section 3 provision has gone through several revisions since the 1968 act. The Housing and Community Development Act of 1974 expanded the Section 3 provision to include community development projects. The law was clarified and strengthened in this act. The next revision was seen in the Housing and Community Development Act of 1980. This act expanded eligibility to include all low-income persons within a jurisdiction and no longer restricted the geographic area as site specific (National Housing Law Project, 2009). The 1992 Los Angeles riots, ignited by the beating of Rodney King, mirrored the Watts riot's devastating impact on distressed communities and prompted an overhaul of the provision. The revisions of Section 3 in the Housing and Community Development Act of 1992, and again in 1994, substantially amended the original enactment and strengthened it. The amended legislation was expanded to include low-income persons defined as those earning less than 80% of the area median income. Priorities for certain subgroups were identified (e.g., public housing residents, the homeless, assisted housing residents, and YouthBuilders), contracting requirements were modified to include preferences for businesses hiring individuals within the prioritized subgroups, and the HUD programs subjected to the law were further defined (National Housing Law Project, 2009; Office of the Inspector General, 2003). By 1996, HUD had established goals for the number of new Section 3 hires for each project and provided recommendations on how these goals could be attained (Bailey et al., 1996).

Although some cities have been actively enforcing Section 3, the provision has been largely ignored and not adequately enforced (Carr & Mulcahy, 2010). One of the major criticisms of Section 3 is the opportunity lost due to noncompliance (Swiney, 2014). The findings of an audit report conducted in 2003 by the Office of Inspector General (OIG) revealed that HUD's guidelines were outdated, the system for monitoring recipients was flawed, oversight was lacking, and the envisioned purpose of the law was not adequately being achieved. This was the first OIG review of Section 3 since the provision was enacted in 1968. Several years after HUD committed to a list of corrective actions that included amending the Section 3 regulation, implementing compliance and monitoring review, and tracking complaints, little progress had been made. In 2009, John Trasvina, the Assistant Secretary to HUD, testified to Congress that only 4% of applicable agencies were submitting the required report on Section 3 activities prior to 2006. By 2008, this number increased to 25% but 80% of the reports were noncompliant with the law (Strengthening the Effectiveness of Section 3, 2009). HUD has since expanded education and outreach to increase compliance and has vetted imposing sanctions for noncompliance. In a second report conducted by the OIG 10 years after the first audit, HUD was again sanctioned for noncompliance and poorly administering the Section 3 law (Office of the Inspector General, 2013).

One reason for the sparse compliance is the fact that the regulations offer minimal direction on enforcement (Austin & Gerend, 2009). HUD's intermediary role to PHAs and local governments who distribute funding directly for Section 3 activities often complicates the responsibility of compliance. The extent to which economic opportunities are offered to low-income residents is vague. For example, the

regulations do not specify how many hours a new hire must work to meet the requirements (Reckdahl, 2014). The Housing Justice Network of the Law Project has urged HUD to impose sanctions when contractors do not meet the requirements instead of allowing them to simply report that no qualified low-income workers were available (Reckdahl, 2014).

Section 3 Revived

The subprime mortgage and housing crisis of 2007, as well as the resulting economic recession and high unemployment rate, disproportionately impacted minority communities and again emphasized the necessity of the Section 3 provision. The American Reinvestment and Recovery Act of 2009 (ARRA) materialized the statutory requirements of Section 3. One of the goals of ARRA was to help individuals that were most impacted by rising unemployment, which was purposefully intended for Section 3 residents. Fifty-seven percent (\$7.8 billion) of the appropriated funds for ARRA were subject to the Section 3 provision (Strengthening the Effectiveness of Section 3, 2009). ARRA provided HUD with the opportunity to enforce compliance and maximize economic opportunities for low-income persons. This was the first time HUD recipients candidly complied with the mandated provision. Furthermore, HUD has committed to providing support for recipients to fulfill the requirements. For example, in 2011, the Office of Fair Housing and Equal Opportunity initiated a pilot Section 3 Business Registry Program in five metropolitan areas: New Orleans, Louisiana, Miami, Florida, Detroit, Los Angeles, and Washington, DC. The purpose of this program is to create an online searchable database that connects Section 3 reporting agencies with low-income residents (Reckdahl, 2014). The Section 3 Business Registry is now available online nationally and, in 2013, approximately 800 businesses were registered in the online database (U.S. Department of Housing and Urban Development, 2014).

On March 27, 2015, HUD proposed new rules for Section 3 for the first time in 20 years. The purpose of the update is to alleviate obstacles to achieve compliance, ensure procedures are implemented consistently, and to clarify sections of the provision that are vague. The proposed changes establish a national administrative database that allows applicants to self-verify based on eligible census tracts, zip codes, and neighborhoods. Because projects over \$400,000 have resulted in the greatest amount of opportunities for participants of the program, the rule change suggests that Section 3 requirements apply to all projects with expenditures that exceed this amount replacing the \$200,000 commitment requirement. The proposed changes also remove the 3% goal for all nonconstruction-related contracts and apply a 10% goal of the total dollar amount on all contracts awarded. Definitional changes include clarifying the term “new hires” to ensure longer duration of employment, expanding the definition of Section 3 businesses to encourage participation with Department of Labor apprenticeship programs, and introducing the term “local area” to expand eligibility to the metropolitan area where the work is being done (Creating Economic Opportunities, 2015).

There are many potential benefits to Section 3. As Sard and Kubic (2009) highlight, the provision has the ability to reduce poverty, overcome the spatial mismatch of employment, and shrink federal costs. After 40 years, the true value of Section 3 has not only been recognized, but legal obligations are also actively being enforced. Although ARRA funds are no longer being awarded, Section 3 is tied to other HUD programs and many PHAs have hired Section 3 compliance officers and are diligently dedicating resources to meet the requirements of the provision. Although motivated, discouragement is often realized when a PHA works with Section 3 residents but are unable to help them secure employment because of criminal backgrounds. Section 3 compliance officers are faced with restrictive barriers that continue to impede the process for returning citizens to become self-sufficient. At a time when HUD has given discretion to PHAs for housing individuals returning to society (U.S. Department of Housing & Urban Development (HUD), 2011), it is also appropriate to discuss expanding employment opportunities for ex-offenders to become productive members of society. The next section provides insight on the barriers that limit employment opportunities for Section 3 residents with criminal backgrounds by conducting a policy review on San Antonio, Section 3 reporting agencies and programs.

Table 1. 2014 HUD funding streams subject to Section 3.

Agency	City of San Antonio	San Antonio Housing Authority
CDBG	\$11,508,613	\$0
HOME	\$3,939,986	\$0
HOPWA	\$1,212,217	\$0
ESG	\$956,346	\$0
HOPE VI	\$0	\$2,443,660
Capital & Operating Funds	\$0	\$44,011,079
Total	\$17,617,162	\$46,454,739

Note: CDBG = Community Development Block Grant; HOME = HOME Investment Partnerships Program; HOWPA = Housing Opportunities for Persons with AIDS; ESG = Emergency Solutions Grants; HOPE VI = Housing Opportunities for People Everywhere. Source: U.S. Department of Housing and Urban Development, City of San Antonio, and San Antonio Housing Authority.

Policy Review

The San Antonio Housing Authority (SAHA) has experienced and reported difficulties in placing Section 3 residents with criminal records in places of employment. SAHA, along with the city of San Antonio (COSA), are committed to further developing their Section 3 programs and exploring innovative solutions to exceed the requirements of the provision. San Antonio was used as an example for this policy review for the following reasons: both SAHA and COSA provided an opportunity for the research to be conducted by offering documentation and data, ex-offenders have been identified as a target population (T. Larralde, personal communication, October 6, 2014), and SAHA and COSA are in the process of updating their Section 3 policies. This offers an ample opportunity for the research to help inform new procedures and practices not only for San Antonio but for other HUD grantees subject to Section 3. The policy review provides an empirical illustration on how the assessment can be conducted in hopes that future research will expand the body of literature to develop solutions that address general patterns of barriers for communities nationwide. An introduction to San Antonio's Section 3 programs are provided and is followed by a specific empirical example that addresses the three research questions: (a) To what extent do existing practices create barriers to employment for Section 3 residents with criminal records? (b) What are the underlying structural conditions that preserve these barriers? and (c) How can employment opportunities for Section 3 residents with criminal backgrounds be expanded?

San Antonio, Texas Section 3 Programs and Agencies

COSA, the seventh largest municipality in the nation and a leading city in job growth, receives more than \$17 million annually of HUD funding subject to Section 3. SAHA provides assistance to over 65,000 residents, many of whom earn less than \$12,500 a year. With an operating and capital budget of more than \$44 million and multiple HUD programs, SAHA receives funding in excess of \$46 million that must comply with the Section 3 provision. Programs that the agencies receive HUD funding for include: CDBG, HOME HOPWA, ESG, and HOPE VI (see Table 1).

SAHA and COSA have established policies and procedures for Section 3 compliance. SAHA encourages residents to participate in employment opportunities with their vendors and contractors, as well as providing training including resume building, job ready workshops, and trade specific preparation such as forklift operation (San Antonio Housing Authority, 2011). COSA functions as an intermediary agency by registering both residents and businesses, verifies that the proper notification of opportunities has occurred, and partners with SAHA to offer additional supportive services for city residents. Both organizations comply with the Section 3 provision and require that at least 30% of all new hires are Section 3 residents and at least 10% of the total dollar value of contracts is subcontracted to Section 3 businesses. For nonconstruction contracts, contractors must subcontract at least 3% of the total dollar value to Section 3 businesses (City of San Antonio Office of Grants Monitoring & Administration, 2013; San Antonio Housing Authority, 2011). Fulfilling the 3% requirement for professional services is reported as one of the most challenging goals because of the mismatch between the required skills

Table 2. San Antonio, Texas, Section 3 businesses (n = 100).

Variable	n	%
Certification date	96	
2010	10	10.42
2011	23	23.96
2012	25	26.04
2013	22	22.92
2014	16	16.67
Primary skill area	100	
Architectural Services	3	3.00
General Construction	65	65.00
Engineering	3	3.00
Human Resources & Recruitment	4	4.00
Janitorial & Sanitary	7	7.00
Landscaping	2	2.00
Pest Control	2	2.00
Real Estate & Property Management	5	5.00
Utilities	2	2.00
Other	7	7.00
Total number of employees	59	
Under 5	34	57.63
5–10	13	22.03
11–50	10	16.95
More than 51	2	3.39
Sales Volume	59	
Under \$250,000	29	49.15
\$250,000–\$499,999	9	15.25
\$500,000–\$999,999	8	13.56
More than \$1 million	13	22.03
Located in a qualified census tract	59	
Yes	23	38.98
No	36	61.02

Source: City of San Antonio and San Antonio Housing Authority.

Table 3. San Antonio, Texas, Section 3 residents (n = 143).

Variable	n	%
Gender	142	
Male	67	47.18
Female	75	52.82
Primary industry interest	57	
Administrative	7	12.28
Childcare	2	3.51
Computer/Information	6	10.53
Construction	38	66.67
Hospitality	2	3.51
Other	2	3.51
Assisted housing programs	58	
Housing Choice Voucher	35	60.34
Public Housing	14	24.14
Neither HCV or PH	9	15.52
Family Self Sufficiency	42	72.41
High school education/GED	40	
Yes	21	52.50
No	5	12.50
GED	14	35.00

Source: City of San Antonio and San Antonio Housing Authority.

needed for these positions and the skill set of Section 3 residents. Another challenge both agencies encountered during the economic recession, but has since been mitigated, was a decrease in new hires that limited opportunities for Section 3 residents. The Labor Market & Career Information Department of the Texas Workforce Commission reported unemployment rates in the San Antonio-New Braunfels Metropolitan Statistical Area averaged above 7% in 2010 and 2011 but, as of February 2015, the rate has fallen below 4%.

Currently, COSA and SAHA have registered 100 businesses and 143 Section 3 residents. The majority of Section 3 businesses were registered from 2011–2013 (72.92%) and offer general construction services (65%). Other types of businesses include: janitorial and sanitary services (7%), real estate and property management (5%), and human resources and recruitment (4%). The majority of registered Section 3 businesses are small business with less than five employees (57.63%) and a sales volume under \$500,000 per year (64.4%). An analysis was conducted to determine how many Section 3 businesses were located in qualified census tracts since a large portion of HUD funding is invested in distressed and low-income communities.¹ The majority (61.02%) of Section 3 businesses' primary location is outside a qualified census tract (see Table 2). Table 2 includes a profile of the 100 Section 3 registered businesses with COSA and SAHA.

There are more female Section 3 residents (52.82%) than males.² The primary area of interest for Section 3 residents is construction (66.67%), which closely aligns with Section 3 businesses and is a growing industry in the San Antonio area.³ The majority of Section 3 residents registered with SAHA are recipients of a housing choice voucher or public housing (84.48%) and over 70% participate in SAHA's Family Self Sufficiency Program. Educational information was available for a sample of the Section 3 resident population (27.97%). Close to 90% of Section 3 residents have either graduated high school or obtained a Graduate Equivalency Degree (GED) (see Table 3). Table 3 contains a profile of Section 3 residents registered with COSA and SAHA.⁴

Although requested, data on the number of Section 3 residents with criminal records were not available. COSA does not collect this information when registering Section 3 residents. SAHA conducts background checks on residents participating in their assisted housing programs but does not collect this type of information when registering Section 3 residents. Although not specific to San Antonio or Section 3 residents, available data demonstrate the high prevalence of criminal records in modern American society. As of 2012, over 100 million criminal records were on file in state databases (Bureau of Justice Statistics, 2014). Based on empirical data, Uggen and colleagues (2006) estimate that approximately 12.8% of adult males in the United States have a felony criminal record. The prevalence of a prior felony conviction is considerably higher for African Americans. Approximately one in three African American males in the United States had a felony record as of 2004 (Uggen et al., 2006).

While an accurate count of Bexar County residents with a criminal record is not available, data indicate a high prevalence of prior convictions and history of incarceration in the county. In 2008, for instance, approximately 4,700 individuals were released from state prison facilities to Bexar County. This statistic represents a rate of approximately 4.71 per 1,000 adult residents in the county (Justice Mapping Center, 2010). The Bexar County Community Supervision and Corrections Department (Adult Probation) estimates that there are more than 30,000 ex-offenders currently residing in Bexar County. Given the reality that justice-involved individuals are disproportionately drawn from economically disadvantaged, minority communities (Clear, 2007; Western, 2006) and experience lower employment rates and lifetime earnings (Travis et al., 2014; Western, 2006; Western, Kling, & Weinman, 2001), it is reasonable to assume that a considerable proportion of the population with a criminal history may be classified as low-income and potentially eligible for Section 3.

Analysis of Existing Policies and Practices

This section addresses the following research question: To what extent do existing practices create barriers to employment for Section 3 residents with criminal records? Within the Section 3 provision, there are no restrictions that limit economic opportunities for ex-offenders, nor does the provision address Section 3 residents with criminal records. The only subgroups Section 3 addresses are assisted

housing residents and YouthBuild participants for the purpose of giving preference for training and employment opportunities. Since there are no barriers created by the provision itself, potential barriers that Section 3 ex-offenders may encounter at four different administrative levels were examined: (a) the federal level which includes HUD; (b) the state level which in this case examines the state of Texas; (c) the local level which includes the city of San Antonio and the San Antonio Housing Authority; and (d) private Section 3 employers.

HUD has been silent on the issue that PHAs and other reporting agencies have been struggling with to find employment for Section 3 residents with criminal records (K. Swiney, personal communication, December 8, 2014). In 2011, HUD clarified their position on ex-offenders living in assisted housing and gave discretion to individual PHAs to balance the need by allowing returning citizens to reunite with family members while maintaining order and safety (U.S. Department of Housing & Urban Development (HUD), 2011). However, to date, and confirmed by PHA Section 3 compliance officers and economic opportunity administrators (R. Evans, personal communication, November 5, 2014; L. Davenport, personal communication, December 16, 2014), we have been unable to find any evidence of documentation or communication from HUD specifically addressing the Section 3 exoffender employment issue. Furthermore, ex-offenders are not restricted from employment or mentioned in HUD's Procurement Handbook for Public Housing Agencies (7460.8 rev-2). HUD does not appear to be creating any administrative barriers for Section 3 residents with criminal records in obtaining employment; at the same time, they are not providing any support to PHAs and reporting agencies that are trying to overcome this issue.

There are a number of practices and policies that have been identified as barriers at the state level. One commonly cited barrier is state laws that prohibit hiring ex-offenders for certain jobs (Hahn, 1991; Harris & Keller, 2005). Some examples of professions from which ex-offenders may be barred include: jobs that require contact with children, certain healthcare service jobs, and most security jobs (Harris & Keller, 2005; Holzer et al., 2003; Solomon et al., 2004; Stoll & Bushway, 2008). In other professions, individuals with prior convictions may be barred from receiving licensure, especially if their prior offense was related to work in that same profession. In Texas, state law denies licenses to individuals with criminal backgrounds in over 100 occupations (Texas State Law Library, 2015). Additionally, numerous training programs in the state restrict access for individuals with prior felony convictions. According to the Texas State Law Library (2015), the state currently has more than 300 statutes, administrative rules, and court rules imposing restrictions on convicted felons in Texas. Many of these restrictions directly concern employment. In 2013, the state of Texas filed a lawsuit against the U.S. Equal Employment Opportunity Commission (EEOC) to block the enforcement of EEOC guidelines urging employers to use a case-by-case approach to criminal background checks as opposed to blanket hiring restrictions based on prior felony convictions arguing that this approach would force employers to hire ex-offenders and jeopardize public safety. Based on this review of the employment restrictions placed on convicted felons in Texas, it is clear that state-level politics, policies, and hiring practices create additional barriers to successful employment and reintegration beyond individual-level hiring decisions.

Similar to HUD, COSA does not have any procurement policies that restrict employment for ex-offenders. Furthermore, COSA does not require Section 3 applicants to disclose criminal background information and leaves this to the discretion of employers. In reviewing Section 3, procurement, and solicitation policies for SAHA, the project personnel section of the solicitation document requires all contractors to perform criminal background checks and drug screening for all prospective employees at the expense of the contractor. If the background check divulges a misdemeanor or felony involving a sexual offense, harm to persons or property, or moral turpitude, the employer cannot hire the prospective employee for the job. Discretion is left to employers to determine if the conviction prevents the applicant from employment. Although sexual offenses are unambiguous, harm to persons or property is not as clear, and moral turpitude can be defined haphazardly. Although SAHA does not conduct criminal background checks during the Section 3 registration process, the project personnel policy for contractors may restrict opportunities for Section 3 residents with even minor offenses.

Another commonly cited barrier to hiring individuals with criminal records is the reality that employers can be held liable for criminal behavior of their employees under negligent hiring regulations (Bushway, 2004; Holzer et al., 2003; Solomon et al., 2004; Stoll & Bushway, 2008). Under these laws, employers may be required to pay damages as well as be exposed to liability for loss, pain, and suffering as a result of negligent hiring (Bushway, 2004; Stoll & Bushway, 2008). Existing research has identified numerous examples when employers have been held accountable for the criminal behavior of their employees through negligent hiring lawsuits (e.g., Connerley, Arvey, & Bernardy, 2001; Craig, 1987). This reality has led some employers to reconsider hiring individuals with criminal records (Solomon et al., 2004).

Beyond statutory prohibition and concerns about negligent hiring liability, employer discretion is a considerable barrier faced by individuals with criminal records when seeking employment. This issue is difficult to measure empirically but has received considerable attention in recent years. Based on their survey of more than 3,000 employers in four metropolitan areas, Holzer and colleagues (2003, 2006) observed that employers were more reluctant to hire ex-offenders than any other group of disadvantaged workers (e.g., welfare recipients, applicants with a GED, or applicants with gaps in their employment history). They found that more than 60% of surveyed employers reported some aversion to hiring ex-offenders and that willingness to hire ex-offenders was conditioned by a broad range of factors including: job responsibilities, job setting, company size, and current labor market. Commonly cited reasons for unwillingness to hire ex-offenders included fear of liability and perceived untrustworthiness (Holzer et al., 2003, 2006).

Some researchers (Holzer et al., 2003; Pager, 2003) and policymakers have argued that increased access to electronic criminal history data has enhanced the salience of criminal history as a barrier to employment. This assumption has served as the foundation for “ban the box” movements, which have advocated removing questions about criminal history from initial job applications. However, researchers have found that the negative effect of criminal background checks varies with employers. For instance, Stoll and Bushway (2008) found that employer-initiated criminal background checks were strongly negatively related to hiring in professions where employers were legally mandated to perform background checks but observed no effect when background checks were not legally mandated. The authors concluded that some employers who voluntarily use background checks to gain additional information about potential employees with criminal histories may actually be more likely to hire ex-offenders than employers who do not conduct background checks at all. This is consistent with research that shows that employers who do not seek or have access to criminal history information may be more likely to discriminate against potential employees based on race and the assumption of a criminal record (Holzer et al., 2003; Pager, 2003).

The major findings from evaluating the existing regulations, policies, and practices at the four administrative levels indicate that barriers to employment for Section 3 residents with criminal backgrounds are not being created by the Section 3 provision itself, or at the federal level by HUD. Although ex-offenders are not specifically being excluded from participation, HUD has not taken any measures to include ex-offenders or provide support to reporting agencies that are challenged with finding employment for Section 3 residents with criminal records. The administrative level that creates the most substantial barriers to employment is the state. Not only does the state prohibit the hiring of exoffenders for certain jobs, Texas denies licenses to individuals with criminal backgrounds and restricts them from certain job training programs. Although local governments have not intended to create any barriers, careful review of procurement practices and procedures is necessary. As uncovered in the policy review for SAHA, the project personnel policy for contractors has the potential to restrict opportunities for Section 3 residents with even minor offenses. Lastly, employers’ discretion and the reality that employers can be held liable for the criminal behavior of their employees is a considerable barrier faced by individuals with criminal records when seeking employment.

Barriers to Labor Market Success Among Ex-offenders

This section addresses the second research question: What are the underlying structural conditions that preserve these barriers? A considerable body of research has been devoted to identifying factors that limit employment and earnings for ex-offenders. Regardless of which specific barriers are examined, this research generally finds that a criminal history is a significant barrier to employment and reduces an individual's potential for lifetime earnings (Travis et al., 2014; Visher et al., 2008; Western et al., 2001). Longitudinal studies following ex-prisoners over time have found that about half of all returning individuals remain unemployed up to a year postrelease (Sabol, 2007; Visher, Debus-Sherrill, & Yahner, 2011). This is particularly problematic given that stable employment has been identified as a primary component of successful reintegration and a potential mechanism for desistance from offending (Laub & Sampson, 2003; Maruna, 2001; Sampson & Laub, 1993; Uggen, Wakefield, & Western, 2005).

Barriers to labor market success among ex-offenders are usually grouped into two categories; supply side and demand side barriers. The current review focuses primarily on demand side barriers, but both categories are reviewed briefly here. Supply side barriers refer to characteristics and attitudes of the individuals seeking employment. Formerly incarcerated individuals typically possess a number of individual-level barriers to finding and maintaining stable employment. Some commonly identified supply side barriers include: limited education and cognitive skills; limited work experience; disproportionate rates of physical health, mental health, and substance use disorders; considerable time removed from the labor market during incarceration; mismatch between acquired skills and current labor market needs; and unrealistic expectations about the job market (Holzer et al., 2003; Solomon et al., 2004). Many of these supply side barriers have been targeted in correctional programming intended to help improve the future employment prospects of prisoners postrelease. However, there is inconsistent evidence to support the success of these efforts. Although these programs may eliminate some supply side barriers, participants still struggle to secure stable employment upon release (Holzer, Raphael, & Stoll, 2002; Holzer et al., 2003).

Demand side barriers refer to employer and labor market forces that may prevent individuals returning after incarceration from acquiring stable employment. Many of these demand side issues are not unique to formerly incarcerated individuals. Several are relevant to all individuals with a criminal record regardless of whether they have been incarcerated. Demand side barriers are further disaggregated into barriers relating to the characteristics and attitudes of ex-offenders and barriers explicitly related to their ex-offender status (Duran, Plotkin, Potter, & Rosen, 2013; Holzer et al., 2003). A primary demand side barrier is the fact that certain occupations are legally closed to individuals with prior felony convictions. Several states have legislation in place barring offenders with certain types of felony convictions from working in sectors such as those requiring contact with children, certain health service occupations, and security services. Additional licensing restrictions may ban felons from jobs in plumbing, food catering, and hair cutting industries depending on specific state regulations (Holzer et al., 2003; Travis et al., 2014). These legal prohibitions, although in place to protect public safety, eliminate jobs for which individuals with criminal records may otherwise be qualified. Another demand side barrier that affects the job prospects of ex-offenders is employer concerns about liability under negligent hiring regulations. Surveyed employers have cited this as a primary concern when considering employing an individual with a criminal history (Holzer et al., 2003). Although recent efforts have been made to insulate potential employers from negligent hiring liability, fear of litigation remains a potential barrier to employment for reentering individuals.

In addition to legal barriers, employers' own perceptions of individuals with criminal records may serve as a barrier to employment. Based on a survey of 3,000 employers in four major metropolitan areas, Holzer and colleagues (2003) found that employers were more reluctant to hire ex-offenders than any other group of disadvantaged workers (e.g., welfare recipients, individuals with a GED). Overall, 62% of the surveyed employers said they would probably not or definitely not hire an individual with a criminal record (Holzer et al., 2003). Survey results also supported the conclusion that there is considerable variability across employers in their willingness to hire ex-offenders and that their willingness to hire

ex-offenders is conditioned by the characteristics of their establishment and the type of job they are trying to fill. Finally, survey respondents also noted that the characteristics of the offense committed and whether meaningful work experience had been accrued since the offense were important factors for them in determining whether to hire an individual with a criminal record (Holzer et al., 2003).

The increased availability of criminal history information has also been identified in extant research as a potential barrier to ex-offenders finding stable employment (Bushway, Nieuwbeerta, & Blokland, 2011; Holzer et al., 2003; Pager, 2003; Solomon et al., 2004; Stoll & Bushway, 2008; Travis et al., 2014). Over the last decade and a half, criminal history information has increasingly been made available at limited or no cost to potential employers. This availability has increased the likelihood that employers will require applicants to be subjected to a background check before being hired. In fact, some research has even suggested that employers may attempt to avoid hiring ex-offenders even if they do not require background checks. Holzer and colleagues (2003) noted that some employers may “statistically discriminate” against ex-offenders by refusing to hire applicants from certain groups within society (e.g., African Americans, welfare recipients, people with gaps in employment history) because they suspect that they are more likely to have criminal records (Holzer et al., 2003, p. 10).

The role that race and ethnicity may play in influencing hiring decisions has also received a considerable amount of attention. Existing research indicates that African American ex-offenders may face even more limited job prospects than White ex-offenders. For instance, Pager (2003) found that applicant race and criminal history interact to reduce the job prospects for African American ex-offenders. Using an audit study methodology, Pager found that hypothetical African American job applicants without criminal records received job offers less frequently than hypothetical White applicants with a criminal record (14% vs. 17%). African American applicants with criminal records received job offers only 5% of the time. White applicants without criminal records received job offers 34% of the time, and White applicants with criminal records received job offers 17% of the time (Pager, 2003). This observed interaction highlights the bleak employment outlook for many ex-offenders, especially those who are African American.

Existing research confirms the barriers to employment that returning ex-offenders often report experiencing after incarceration. Although considerable state and federal resources have been devoted to providing employment and educational programming during incarceration, it is unlikely that this investment will be realized if these barriers are not addressed. Housing authorities, as primary recipients of HUD funding that have taken a leading role in revitalizing distressed communities, are encumbered by these barriers. Realizing that housing alone does not provide pathways out of poverty, turning provisions like Section 3 into active programs to assist residents in job placement is part of a comprehensive approach that has been embraced by PHAs. In recognizing the benefits of assisting low-income households by providing additional resources that lead to economic mobility (e.g., wealth building, educational attainment, and job training programs), PHA personnel are now faced with new challenges such as job placement for Section 3 residents with criminal backgrounds. By making a commitment to address these challenges and barriers, PHAs are facilitating pathways out of poverty and expanding employment opportunities for returning citizens to reduce recidivism.

In summary, individuals with prior felony convictions, especially those returning from incarceration, face a substantial number of barriers to gaining and maintaining stable employment. In addition to statutory and licensing restrictions, these individuals face considerable resistance from many employers and structural racism. Coupled with disproportionately high rates of supply side barriers, these barriers can make the employment prospects of many ex-offenders seem quite bleak. Given the reality that Section 3 residents are disproportionately minority and impoverished, it is fair to say that many of these employment barriers are exacerbated for Section 3 residents with criminal records.

Recommendations

The recommendations section addresses the last research question: How can employment opportunities for Section 3 residents with criminal backgrounds be expanded? These recommendations

not only apply to San Antonio, but are also appropriate for communities across the nation. The recommendations are offered at each administrative level analyzed for the review of existing policies and practices. Before examining specific barriers, a suggestion is offered for the Section 3 provision generally, which has the potential to address all administrative levels. The lack of Section 3 oversight by HUD was raised by multiple sources as one of the greatest challenges of the provision (Austin & Gerend, 2009; Bailey et al., 1996; Office of Inspector General, 2003, 2013; Swiney, 2014). Moreover, because of technical problems during the upgrade of the Section 3 60,002 Summary Reporting System, reporting agencies have not submitted annual reports since 2012. Although agencies must still comply with the Section 3 provision and maintain applicable records, review of annual audits is not occurring. Without the appropriate documentation and data, it is difficult to assess and improve compliance. The newly proposed rules for Section 3 are vague in addressing verification and reporting. Since increased oversight has the potential to expand and offer additional economic opportunities to all low-income residents, it is recommended that reporting and compliance be strongly considered and implemented in the proposed rule changes.

At the federal level, the analysis revealed that although there are no barriers to employment for ex-offenders in the Section 3 provision or created by HUD, more can be done to support local agencies. HUD can start by taking a position on the issue similar to the 2011 memorandum sent to PHAs that eased the requirements for ex-offenders in assisted housing to reunite with family members (U.S. Department of Housing & Urban Development (HUD), 2011). Additionally, HUD may consider taking an actively supportive role by providing guidelines for contractual and procurement policies, as well as human resource practices that specifically address the hiring of ex-offenders. Last, the new rule changes make it easier for businesses to obtain Section 3 status that hire employees that graduated from a Department of Labor YouthBuild or other apprenticeship job training program. This provision may be considered for the hiring of ex-offenders.

The current review revealed that at the state level there are many barriers to employment for ex-offenders and more than 100 occupations for which ex-offenders may not be able to obtain licensing. Policy reforms at the state level regarding occupational licensing, antidiscrimination for criminal records, and expungement of records require the collaboration of multiple state and local agencies, as well as support from the criminal justice system, to make an impact. A regional collaborative is suggested to address state barriers and communicate new policies and strategies to legislators that expand economic opportunities for returning citizens. Another relevant policy reform is to further incentivize employers to hire ex-offenders. This is attempted at the federal level through the Work Opportunity Tax Credit (WOTC) and the United States Department of Labor Federal Bonding Program (FBP). Although these federal programs are promising, they need to be augmented by state resources to reach a broader range of employers and impact a greater proportion of the growing population of job seekers with a criminal history.

At the local level, the SAHA legal department can review the project personnel section of the solicitation document and consider easing the language or eliminating the policy all together. An inhouse or referral program can be established to help residents with expunging or sealing criminal records. For example, the Housing Authority of the City of Fort Lauderdale hired a retired police officer to assist with related law enforcement and safety issues at their housing sites. This officer also helps residents and apprentices of the housing authority begin and navigate the expungement process (R. Evans, personal communication, November 5, 2014). COSA and SAHA meet on a monthly basis to collaborate and discuss challenges regarding Section 3. This partnership helps leverage limited resources for Section 3 compliance. SAHA and COSA may consider inviting other local agencies such as Workforce Solutions Alamo to their monthly meetings to facilitate partnerships that can work together to leverage resources that address employment barriers. Housing authority residents can start an initiatives committee to explore economic opportunities and document difficulties. An appointed representative of the resident committee can work directly with the Section 3 compliance officer to address the difficulties experienced by residents in obtaining employment.

In addition to policy changes aimed at reducing the collateral consequences of a criminal conviction through relaxed licensing prohibitions and employer incentives, state and local agencies should work together to better educate employers about risk for recidivism and redemption. It is well documented in the field of criminology that not all offenders pose the same risk for recidivism and that even serious offenders eventually pose no greater risk for a new offense than individuals without a criminal history (see Blumstein & Nakamura, 2009, for a discussion of redemption). Increasing employer awareness regarding risk and redemption may help ameliorate the stigma of a criminal record.

Future Directions for Research

To properly assess the Section 3 provision and address barriers to employment for particular subgroups, such as ex-offenders, additional data are necessary. For example, SAHA and COSA are in the process of designing a Section 3 survey to obtain information from four subgroups: assisted housing residents, Section 3 residents, Section 3 businesses, and vendors of SAHA and COSA that are not registered as Section 3 businesses. The survey will allow the agencies to build a complete profile of Section 3 businesses and residents, determine the specific types of employment being secured by Section 3 residents, identify barriers and successes, and provide an understanding of why qualifying residents and businesses may not be participating in Section 3. This type of research can also assist in identifying specific challenges in PHAs' Section 3 programs such as the extent of the ex-offender issue highlighted in this study or other challenges that have not been addressed like the gender imbalance of those hired under Section 3 covered contracts.

Some PHAs have taken the extra step to establish Section 3 programs with dedicated staff members to comply with the provision by reallocating internal resources. However, the magnitude of these programs, the extent of resources devoted to the programs, and related outcomes are unknown. Research on individual PHA Section 3 programs will provide a more comprehensive understanding of the effectiveness of allocating scarce PHA resources to Section 3 programming. At the national level, it is necessary for HUD to activate the Section 3 Reporting System for yearly reporting of HUD Form 60,002 so future research can be conducted at a national scope for 2013, 2014, and future reporting years.

Although HUD and PHAs can benefit from this type of research to improve compliance with the Section 3 provision, they are limited in both the tools and resources available to address more restrictive state and local requirements that create barriers for ex-offenders. Extensive criminal justice reform can help combat these issues and additional research will be beneficial to help guide the changes that are needed. Further research on understanding which low-income ex-offenders are successful at obtaining permanent employment is also needed. To better understand the complex dynamics of job seeking and employment among the growing population of formerly justice-involved individuals, considerable research is necessary. More research is needed regarding both supply side and demand side barriers. On the supply side, a better understanding of attitudes and experiences of ex-offenders while seeking employment, the mismatch between ex-offender skills and current labor market needs, and the impact of correctional interventions aimed at reducing supply side barriers is necessary. On the demand side, a better understanding of employers' attitudes toward hiring individuals with criminal records is needed along with a clearer understanding of the decision-making process in which potential employers engage when considering applicants with criminal histories. Examining the effectiveness of various incentive programs is also essential to identify which practices are most efficacious.

Finally, it is important to remember that Section 3 is just a provision that reporting agencies must comply with; there is no programming or funding attached to it at the federal level. The purpose of the Section 3 provision does not create new jobs, but rather expands employment opportunities to specific subgroups. This provision is only one approach necessary to achieve the critical goal of expanding economic opportunities for disadvantaged individuals. Linking Section 3 to DOL apprenticeship programs, as HUD begins to suggest in the proposed rule changes, is an attempt to work toward a comprehensive approach. Continued conversation is necessary at the national level to discuss how

the Section 3 provision can be further integrated into existing policies and programs to allow for equal opportunity for all individuals in society.

Notes

1. Qualified census tracts are defined by HUD for the Low Income Housing Tax Credit (LIHTC) program as either (a) a census tract with a poverty rate of at least 25% or (b) 50% or more of the census tract householders have incomes below 60% of the area median household income (Hollar & Usowski, 2007).
2. The high percentage of women is not surprising. In the 2014 Demographic Report published by SAHA, 79% of householders are women.
3. Construction services (carpenters, operating engineers, plumbers, HVAC mechanics, etc.) are on Workforce Solutions Alamo targeted demand occupations list. In 2013, the median hourly wage for a construction position was \$17.69 and typically a high school diploma is required to obtain employment in this industry. Workforce Solutions Alamo predicts that the construction industry in the San Antonio areas is expected to grow by approximately 26% by 2022.
4. The sample size changes in Tables 2 and 3 based on the availability of data for each variable.

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