

List of Subjects in 22 CFR Part 1006

Administrative practice and procedure, Contract programs, Grant programs.

Adolfo A. Franco,
General Counsel.

Title 22 of the Code of Federal Regulations, part 1006 is amended as follows.

PART 1006—GOVERNMENTWIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT) AND GOVERNMENTWIDE REQUIREMENTS FOR DRUG-FREE WORKPLACE (GRANTS)

1. The authority for part 1006 continues to read as follows:

Authority: E.O. 12549; Sec. 5151–5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100–690, Title V, Subtitle D; 41 U.S.C. 701 et seq.); 22 U.S.C. 290f.

2. Section 1006.100 is revised as set forth at the end of the common preamble.

3. Sections 1006.105 and 1006.110 are amended as set forth at the end of the common preamble.

4. Sections 1006.200, 1006.215, 1006.220 and 1006.225 and Appendices A and B to Part 1006 are revised as set forth at the end of the common preamble.

BILLING CODE: 7025–01–M

AFRICAN DEVELOPMENT FOUNDATION

22 CFR Part 1508

FOR FURTHER INFORMATION CONTACT: Paul S. Magid, (202) 673–3916.

List of Subjects in 22 CFR Part 1508

Administrative practice and procedure, Contract programs, Grant programs—foreign relations.

William R. Ford,
President.

Title 22 of the Code of Federal Regulations, Part 1508 is amended as follows:

PART 1508—GOVERNMENTWIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT) AND GOVERNMENTWIDE REQUIREMENTS FOR DRUG-FREE WORKPLACE (GRANTS)

1. The authority for part 1508 is revised to read as follows:

Authority: 22 U.S.C. 290h; 41 U.S.C. 701 et seq.; E.O. 12549, 3 CFR, 1986 comp., p. 189.

2. Section 1508.100 is revised as set forth at the end of the common preamble.

3. Section 1508.105 and 1508.110 are amended as set forth at the end of the common preamble.

4. Sections 1508.200, 1508.215, 1508.220, and 1508.225 and Appendices A and B to Part 1508 are revised as set forth at the end of the common preamble.

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Part 24

RIN 2501–AB24

FOR FURTHER INFORMATION CONTACT:

Emmett N. Roden, Assistant General Counsel for Administrative Proceedings, Office of General Counsel, U.S. Department of Housing and Urban Development, 451 7th Street, SW., Room 10251, Washington, DC 20410, telephone (202) 708–2350. The telephone number for the hearing impaired (TDD) is (202) 708–9300. These are not toll-free numbers.

ADDITIONAL SUPPLEMENTARY INFORMATION:

In accordance with Executive Order 12549, the Department, along with other Federal agencies, promulgated governmentwide nonprocurement debarment and suspension regulations. The common rule, which is identical to the Office of Management and Budget's final guidelines, and the various agency-specific supplements to the common rule were published at the same time on May 26, 1988 (53 FR 19161). The provisions of the common rule that provide nonprocurement participants with the opportunity to contest suspensions and proposed debarments and the procedures by which suspending and debarment officials make final agency determinations are substantially similar to the procedures applicable to procurement contractors under the Federal Acquisition Regulation (FAR, 48 CFR, especially subpart 9.4 thereof). Although the Department adopted verbatim significant portions of the common rule, it did not include all of the provisions concerning suspension and debarment hearing procedures or the reconsideration or appeal of post-hearing determinations.

Executive Order 12689, issued in 1989, and section 2455 of the Federal Acquisition Streamlining Act of 1994 require that the debarment, suspension, or other exclusion of a participant in a procurement activity under the FAR, or in a nonprocurement activity under an

agency's debarment regulations, shall, after regulations are issued, have the governmentwide effect of excluding the participant from both procurement and nonprocurement activities. Under current HUD rules, a debarment of a nonprocurement participant does not affect such person's participation in procurement activities with other agencies.

On December 20, 1994, HUD and other agencies participating in the development of this final rule published a notice of proposed rulemaking to implement Executive Order 12689 and section 2455 of the Federal Acquisition Streamlining Act. HUD's portion of the proposed rule, published at 59 FR 65612, also included revisions to conform the Department's hearing procedures to those of the common rule.

The Department's current hearing procedures, which depart from the generally applicable governmentwide provisions, have adversely affected the Department's ability to process suspensions and debarments in an efficient and cost-effective manner. The amount of time and expense currently involved in the Department's suspension and debarment proceedings benefit neither the Department nor the persons who are subject to such sanctions. In addition, the Department notes that the common rule procedures have not been successfully challenged in Federal court since their implementation in 1988.

The issuance of this rule will simplify and streamline the suspension, debarment, and limited denial of participation processes at HUD. Therefore, this rule will reduce, rather than increase, the regulatory burden on contractors and participants in the Department's programs.

The Department considers these changes necessary to comply with the President's directive to streamline agency operations throughout the Executive Branch. The revisions are also an element in the Government reinvention process at the Department.

Effective date: The final rule shall apply to notices of proposed debarment, suspension and limited denial of participation that are issued on or after the effective date of this rule.

Discussion of Public Comments

Comments on the proposed rule were received from one Federal Government organization, from one private professional organization, and from three individuals. The issues raised by the commenters are summarized below.