
CHAPTER 4. RIGHTS OF PRINCIPALS

4-1 Requests for Reconsideration of Decisions

Under HUD-2530 procedures, principals may, in addition to being approved, be granted conditional approval or approval may be withheld or the principal(s) may be disapproved. When a principal is notified that approval is conditional or being withheld or disapproved, the notice informs the principal that he/she may request reconsideration by the MPRC or the principal may request an administrative hearing before a Departmental Officer. If the participant elects the option to request reconsideration by the MPRC, a request for a hearing will not be appropriate until the MPRC has acted. If a request is made for reconsideration, the request must be submitted in writing and addressed to the Executive Secretary and must be submitted within 30 calendar days of receipt of the notice of the MPRC's decision. In the event the principal chooses to have the case reconsidered by the MPRC, he/she may request an administrative hearing if the MPRC does not act favorably on the request for reconsideration.

4-2 Reconsiderations by the MPRC

- A. The principal is given the opportunity to submit for the MPRC's reconsideration all information and exhibits which, support an approval action by the MPRC. This information:
1. May be in the form of additional information not known to the MPRC at the time of its earlier review, or
 2. The reconsideration request may ask that additional weight be placed by the MPRC on facts known to it previously.

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- B. The MPRC does not hear oral testimony from principal(s). It only acts on written submissions presented to it by the principal through the Executive Secretary.
- C. When the MPRC makes a final decision of the reconsideration request, both the principal and the

field office processing the application will be informed of the results of that decision by written notice from the Executive Secretary.

4-3 Administrative Hearing

Principals desiring an administrative hearing must submit a written request to the Docket Clerk, Office of Program Enforcement, within 30 calendar days from the date they receive notice of the decision from the MPRC. 24 C.F.R. Section 200.241(b) . Hearings follow the procedures for administrative hearings, as set forth in 24 C.F.R. Part 26.

- A. Upon receipt, the Docket Clerk will docket the appeal before a Hearing Officer who is then responsible for conducting the hearing. The Office of General Counsel appoints a Departmental Attorney to represent the MPRC at the hearing.
- B. Principal(s) at the hearing may submit both oral and written testimony in support of their appeal of the MPRC's decision. Oral testimony will not be permitted when a disapproval is based solely on a suspension or debarment that has been previously adjudicated.
- C. In the case of a disapproval based upon a suspension which has an appeal pending the HUD-2530 hearing shall be stayed pending the outcome of the suspension hearing.
- D. Hearings may be held at Headquarters or at the field office depending upon the desires of the principals and the determination of the Hearing Officer.

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- E. One important difference between Administrative Sanction Hearings and Previous Participation Hearings is in the rendition of the final decision.
 - 1. With Administrative Sanctions (Suspensions, Debarments, etc.), the Hearing Officer issues a decision which becomes final unless, within 15 days, an appeal is made to the Secretary. The Secretary's review may result in a reversal or modification of the Hearing Officer's decision.
 - 2. In the case of Previous Participation Hearings, the Hearing Officer will determine the facts and the law relevant to the issues and will report the determination in writing to the MPRC which will make

the final decision.

- F. When the MPRC makes the final decision, the principal and the field office are notified in writing of the results. This constitutes a final administrative action. Further appeals are addressed to the courts.