

UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF HEARINGS AND APPEALS

In the Matter of:

JOY HARRIS,

Respondent.

25-JM-0310-DB-003

September 11, 2025

RECOMMENDED DECISION AND ORDER OF REMAND

This matter arises from a notice of debarment issued by the U.S. Department of Housing and Urban Development (“HUD”) against Joy Harris (“Respondent”) under 2 C.F.R. § 180.800. Currently before the Court is the *Government’s Motion to Dismiss Respondent’s Debarment Appeal* (“*Motion to Dismiss*”).

PROCEDURAL HISTORY

On March 6, 2025, HUD issued a Notice of Proposed Four-Year Debarment and Continuation of Suspension (“NOPD”), which serves as the Complaint in this matter (see 24 C.F.R. § 26.13(c)), proposing to debar Respondent from participation in procurement and nonprocurement transactions with the Executive Branch of the federal government for four years pursuant to 2 C.F.R. § 180.800(a)(3) and (d) on grounds that Respondent was convicted of having committed certain criminal offenses while employed by a public housing authority funded by HUD.

On March 24, 2025, Respondent requested a hearing concerning the proposed debarment. Respondent did not submit any evidence with her hearing request, and alleged only that her legal team had neglected to present her full financial information to the courts and that she has appealed her criminal conviction.

On March 31, 2025, the Debarring Official for HUD referred the matter to this Court, the HUD Office of Hearings and Appeals, to provide a recommended decision consistent with 2 C.F.R. parts 2424 and 180.

On April 3, 2025, the Court issued a *Notice of Hearing and Order* scheduling a hearing and establishing prehearing deadlines, including deadlines for HUD to file the Administrative Record, for Respondent to file an Answer, and for the parties to exchange exhibits and witness lists in this matter. On April 22, 2025, and May 2, 2025, HUD filed documents comprising the Administrative Record in this matter.

Respondent's Answer was due on May 4, 2025. However, Respondent did not file an Answer by that date.

On June 18, 2025, HUD filed its *Motion to Dismiss* asking the Court to dismiss Respondent's request for hearing and remand this matter to the Debarring Official for a final determination. HUD notes that, aside from not filing an Answer in this matter, Respondent also has failed to comply with the Court's order to exchange exhibits and witness lists. HUD argues that Respondent's request for hearing should be dismissed because she has failed to prosecute her appeal, she has not disputed any of the material facts alleged in the NOPD, and she is not entitled to additional fact-finding by the Court.

On June 27, 2025, the Court issued an *Order to Show Cause* staying the hearing dates and remaining deadlines and ordering Respondent to show cause by July 11, 2025, why HUD's *Motion to Dismiss* should not be granted. The Court also ordered Respondent to file an Answer and to certify her compliance with the Court's prior order to exchange exhibits and witness lists with HUD.

To date, Respondent has not submitted any response to the *Order to Show* and has not filed an Answer or otherwise appeared before or communicated with the Court in this matter.

LEGAL PRINCIPLES

Debarment Proceedings. To protect the public interest in ensuring the integrity of federal programs, the federal government follows a policy of "conducting business only with responsible persons." 2 C.F.R. § 180.125(a). Federal agencies employ a governmentwide debarment and suspension system¹ to exclude any person who has been or is expected to be a participant or principal in a covered transaction, and who has been deemed "not presently responsible," from participating in federal programs. *Id.* §§ 180.125(b); 180.150. As relevant here, an agency may debar a person from participation in federal programs for, among other reasons, being convicted of certain crimes, or for "[a]ny other cause that is so serious or compelling in nature that it affects [the person's] present responsibility." *Id.* § 180.800(a), (d).

A person whom HUD proposes to debar may contest the proposed action by submitting to the HUD debarring official, within thirty days, information in opposition to the proposed debarment. 2 C.F.R. §§ 180.815, 180.820. If the information submitted raises a genuine dispute of material fact, HUD must "conduct additional proceedings to resolve those facts." *Id.* § 180.830. These "additional proceedings" are conducted before a hearing officer, defined as an Administrative Law Judge or Office of Appeals² Judge authorized by HUD's Secretary or designee to conduct such proceedings. *Id.* §§ 2424.842, 2424.952. The proceedings are governed by the procedural rules for HUD hearing officers set forth in 24 C.F.R. part 26, subpart

¹ The governmentwide nonprocurement debarment and suspension system was created through the issuance of an Executive Order that directed the Office of Management and Budget ("OMB") to prescribe governmentwide guidelines and other federal agencies to issue agency-specific guidelines. E.O. 12549 (Feb. 18, 1986), 51 Fed. Reg. 6370 (Feb. 21, 1986). OMB's nonprocurement debarment guidelines are set forth in 2 C.F.R. part 180, and HUD's agency-specific guidelines are set forth in 2 C.F.R. part 2424, which largely adopt OMB's procedures. *See* 2 C.F.R. §§ 2424.10, 2424.30.

² The Office of Appeals has been folded into the HUD Office of Hearings and Appeals.

A, to the extent such rules are not inconsistent with HUD's debarment regulations. See 24 C.F.R. § 26.1.

Standard and Burden of Proof. HUD bears the burden of proving that cause for debarment exists. 2 C.F.R. § 180.855(a); see also 24 C.F.R. § 26.24(g). The hearing officer must conduct a de novo review to determine whether HUD has established such cause by a preponderance of the evidence. 2 C.F.R. § 180.850; 24 C.F.R. § 26.25(a). If the proposed debarment is based upon a conviction, this standard of proof is met, and the respondent need not be given an additional opportunity to challenge the facts. 2 C.F.R. §§ 180.830(a)(1), 180.850(b).

Once the standard of proof is met and cause for debarment is established, the burden shifts to the respondent to demonstrate that she is presently responsible and that debarment is not necessary. Id. § 180.855(b). In determining whether and how long the respondent should be debarred, the decisionmaker may consider the seriousness of the respondent's conduct, the mitigating and aggravating factors set forth in 2 C.F.R. § 180.860, and any other factors that are appropriate under the circumstances of the case. See 2 C.F.R. §§ 180.845(a), 180.860, 180.865.

Dismissal. Pursuant to 24 C.F.R. § 26.16(a), this Court is authorized to rule on motions and other procedural matters. See also 24 C.F.R. § 26.2(c)(7). If a party fails to prosecute or defend an action, the Court may grant a motion to dismiss the action and/or may issue an initial decision against the non-prosecuting or defending party. Id. §§ 26.4(d), 26.16(g). Dismissal of a debarment appeal is appropriate when the respondent abandons the appeal by failing to substantively participate in the proceedings before this Court. See, e.g., In re Gobioff, HUDOHA 21-JM-0228-DB-007 (Nov. 15, 2021); In re Douglas, HUDALJ 93-1991-DB(LDP) (June 9, 1993).³

FACTUAL BACKGROUND

The record shows that, in United States v. Harris, Case No. 1:24-cr-00207-LAK (S.D.N.Y.), Respondent was convicted of two criminal offenses arising out of her conduct as an employee of the New York City Housing Authority ("NYCHA"). The Administrative Record includes copies of the complaint, indictment, verdict, and judgment in the criminal case.

The documents from Respondent's criminal case show that she was previously employed by NYCHA as a superintendent and assistant superintendent of several public housing developments, in which capacity she was accused of soliciting and accepting bribes from contractors seeking no-bid micro-contracts to perform work at the developments between 2015 and 2018. On January 6, 2024, the Office of the Inspector General for NYCHA filed a complaint charging Respondent with one count of "Solicitation and Receipt of a Bribe by Agent of Organization Receiving Federal Funds" under 18 U.S.C. § 666(a)(1)(B) and one count of "Extortion Under Color of Official Right" under 18 U.S.C. § 1951. On April 4, 2024, the grand jury indicted Respondent for this conduct. On October 17, 2024, a jury found Respondent guilty on both counts, and on February 26, 2025, judgment was entered sentencing Respondent to prison and ordering her to pay \$54,150 in restitution.

³ HUD ALJ decisions cited herein are available at: <https://www.hud.gov/stat/oha-debarment>.

Respondent has not submitted any evidence to this Court or contested the authenticity of the documents in the Administrative Record. In her hearing request, she does not dispute that she was convicted of bribery and extortion as alleged. She states only that “my Law Team did not present my full financials for the year 2015 through 2021 to the courts as evidence within the allotted time” and that she has appealed her criminal conviction.

DISCUSSION

The record shows, and Respondent does not dispute, that she was convicted of engaging in criminal conduct in her capacity as an official of NYCHA, a public housing authority that receives funds from HUD. Specifically, she was convicted of extorting and receiving bribes from contractors seeking contracts with NYCHA. By reason of these facts, HUD now seeks to bar Respondent from participating in further federal government transactions for four years.

A federal agency may debar a person for “[c]onviction of or civil judgment for ... [c]ommission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, violating Federal criminal tax laws, receiving stolen property, making false claims, or obstruction of justice.” 2 C.F.R. § 180.800(a)(3). In addition, a federal agency may debar a person for any cause “that is so serious or compelling in nature that it affects [the person’s] present responsibility.” *Id.* § 180.800(d).

In this case, Respondent’s criminal conviction for bribery and extortion, committed in connection with her role as a public housing official, constitutes cause for debarment under both § 180.800(a)(3) and (d). *See, e.g., In re Myers*, HUDBCA 96-A-104-D1 (Sept. 12, 1996) (recommending three-year debarment for respondents convicted of conspiracy to commit bribery); *In re Jackson*, HUDBCA 95-A-106-D5 (June 7, 1995) (recommending four-year debarment for respondent convicted of bribery). Because the proposed debarment in this case is based upon a conviction, HUD’s burden of establishing cause for debarment by a preponderance of the evidence has been met, and Respondent is not entitled to challenge the underlying facts. *See* 2 C.F.R. §§ 180.830(a)(1), 180.850(b); *In re Signorelli*, HUDBCA 94-C-144-D17 (Sept. 20, 1995) (“In a debarment case, cause for debarment is established by a conviction, and those facts on which the conviction is based are deemed proven.”).

Once the cause for debarment has been established, the burden shifts to Respondent to demonstrate that she is presently responsible and that the proposed four-year debarment is not necessary. *See id.* § 180.855(b). Respondent has not met this burden. Though HUD gave Respondent an opportunity to argue her case before this Court after she requested a hearing, Respondent has failed to prosecute her appeal, exposing herself to issuance of an adverse decision in this matter. *See* 26 C.F.R. § 26.4(d) (stating that party who fails to prosecute or defend may be subject to dismissal or issuance of an adverse decision). She has failed to provide specific responses to the allegations in the NOPD, as required under 2 C.F.R. § 180.825 and 24 C.F.R. § 26.14(b). Further, she has not presented evidence or argument concerning the seriousness of her conduct or any mitigating factors relevant to the debarment decision under 2 C.F.R. §§ 180.845(a), 180.860, and 180.865, beyond the two cursory arguments raised in her hearing request.

Neither of these arguments persuades the Court that Respondent should not be debarred or that the length of the proposed debarment is unreasonable. First, Respondent asserts that her

legal team did not timely present her full financial information in the criminal proceeding, but she fails to explain how this is relevant to the determination of whether and how long she should be debarred in the instant debarment proceeding. Second, Respondent states that she has appealed her criminal conviction. However, the language of 2 C.F.R. § 180.800(a)(3) allows an agency to debar a person based on a “conviction” without requiring the conviction to be final or all appeals to be exhausted. Cf. Slugocki v. U.S. Dep’t of Labor, 988 F. Supp. 1443, 1448 (S.D. Fla. 1997) (“Courts which have interpreted the term ‘conviction’ in other statutes have routinely held that a conviction pending appeal is sufficient to subject a person to the restrictions of a federal statute.”) (collecting cases).

In sum, Respondent was convicted of bribery and extortion, which are serious offenses that demonstrate a lack of honesty, trustworthiness, integrity, and fair dealing and provide cause for debarment. The four-year debarment proposed by HUD is consistent with similar past cases. See, e.g., In re Myers, supra; In re Jackson, supra. Respondent has failed to demonstrate that she is presently responsible or that a four-year debarment is unwarranted.

CONCLUSION AND ORDER

For the foregoing reasons, the Court finds that cause for debarment is established and recommends that Respondent be debarred from procurement and nonprocurement transactions with the Federal Government for a period of four years.

HUD’s *Motion to Dismiss Respondent’s Debarment Appeal* is hereby **GRANTED**, and this matter is **REMANDED** to the Debarring Official for further action.

So **ORDERED**,

A handwritten signature in black ink, appearing to read "Sandra W. Gluvna", written over a horizontal line.

Sandra W. Gluvna
Administrative Judge