
CHAPTER 5. OTHER REQUIREMENTS

5-1 Administrative Sanctions

HUD-2530 procedures are not a substitute for administrative sanctions. Administrative sanctions (Debarment, Suspension, Limited Denial of Participation and other compliance actions) are set forth in Handbook 1300.13 REV-1, "Debarment, Suspension and Ineligibility of Participants and Contractors."

- A. Handbook 1300.13 is designed to provide guidance concerning the nature of administrative sanctions imposed pursuant to 24 C.F.R. Part 24. It provides information to program staff about the availability and effects of sanctions and gives instructions on how and when to make referrals for the sanction process. Administrative sanctions are actions taken by the Department restricting an applicant's participation in not only HUD programs but government-wide programs as well; when such restrictions for a specific period of time are found to be necessary for the protection of the Government. Protection of the Department also includes protection of the public interest as well as those individuals and groups who are the intended beneficiaries of HUD's programs.
- B. Since a HUD-2530 denial only precludes a principal from participating in a specific multifamily project and not from non-multifamily HUD projects or other government-wide programs, field offices should consider sanctions under Part 24, whenever appropriate. Such as:
1. When HUD-2530 disapproval is recommended because of previous or continuous unsatisfactory performance by a principal.
 2. When a Limited Denial of Participation (LDP) has been issued and the principal fails to take necessary and appropriate corrective actions.

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3. Other serious matters, even if corrected, such as misuse of project funds.

5-2 The Privacy Act and the Freedom of Information Act

Both the Privacy Act and the Freedom of Information Act (FOIA) apply to data contained in the HUD-2530 System. For procedures under the Privacy Act, see 24 C.F.R. Part 16; and 24 C.F.R. Part 15 for FOIA procedures.

- A. All Privacy Act inquiries from sources other than HUD, Farmers Home Administration, State and local governments with participation in HUD Housing Programs as co-insurers or finance agencies, should be referred to the field office's designated Privacy Act Officer. The Departmental Privacy Act Officer is also available for consultation at Headquarters.
- B. FOIA requests will be handled by the Participation and Compliance Division in accordance with HUD regulations.