

USDA

United States Department of Agriculture
Rural Development

Rural Business-Cooperative Service - Rural Housing Service - Rural Utilities Service
Washington, DC 20250

NOV 19 1998

SUBJECT: Debarment Certifications

TO: All Electric and Telecommunications Borrowers
All DLT Loan and/or Grant Recipients

FROM: WALLY BEYER
Administrator
Rural Utilities Service

On June 26, 1995, changes to the Governmentwide Debarment and Suspension regulations were published in the Federal Register. These changes modified the Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions which must be submitted as part of the application materials for the Rural Utilities Service's (RUS) Electric Loan Program, Telecommunications Loan Program, and Distance Learning and Telemedicine Loan and Grant Program. The revised certification is found in Appendix A to 7 CFR part 3017, the Department of Agriculture's debarment and suspension regulation.

The changes to the regulations also modified the Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Lower Tier Covered Transactions which recipients of RUS loan and grant funds are required to include in all lower tier covered transactions and solicitations. The revised lower tier certification is found in Appendix B to 7 CFR part 3017.

For the convenience of all RUS program participants, we are enclosing copies of the two debarment certifications discussed above. If you have any further questions regarding these certifications, please contact your General Field Representative or RUS Area Director.

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Enclosures

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
AND VOLUNTARY EXCLUSION - LOWER TIER COVERED, TRANSACTIONS

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification act out below,
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into, If it is later determined that the Prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms *covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded*, as used in this clause, have the meaning set out in the Definitions and Coverage sections Of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated,
6. The prospective lower tier participant further agrees by submitting this proposal that it *will* include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs,
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transaction is authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

CERTIFICATION

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency,
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Proposal.

Organization Name

PR/Award or Project Name

Name and Title

Signature

Date