

proposal be referred to an advisory committee in accordance with section 408(e) of the Federal Food, Drug, and Cosmetic Act.

Interested persons are invited to submit written comments on the proposed regulation. Three copies of the comments should be submitted to facilitate the work of the Agency and of others interested in inspecting them. The comments must bear a notation indicating both the subject and the petition/document control number, "PP6E1815/P61". All written comments filed in response to this notice of proposed rulemaking will be available for public inspection in the Office of the Federal Register from 8:30 a.m. to 4 p.m. Monday through Friday.

(Section 408(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346(e)).)

Dated: December 21, 1977.

HERBERT S. HARRISON,
Acting Director,
Registration Division.

It is proposed that Part 180, Subpart C, section 180.153 be revised in its entirety be editorially reformatting the section into an alphabetized columnar listing and alphabetically inserting the tolerance of 0.75 ppm on kiwi fruit, as follows:

§ 180.153 0,0-Diethyl 0-(2-isopropyl-6-methyl-4-pyrimidinyl) phosphorothioate; tolerances for residues.

Tolerances are established for residues of the insecticide 0,0-diethyl 0-(2-isopropyl-6-methyl-4-pyrimidinyl) phosphorothioate in or on the following raw agricultural commodities:

Commodity	Parts per million
Alfalfa, fresh	40
Alfalfa, hay	10
Almonds	0.5
Almonds, hulls	3
Apples	0.75
Apricots	0.75
Bananas (MMT 0.1 ppm shall be present in the pulp after peel is removed)	0.2
Bean forage	25
Bean hay	10
Beans, guar	0.1
Bean, guar, forage	0.1
Beans, lima	0.75
Beans, snap	0.75
Beets, roots	0.75
Beets, sugar, roots	0.75
Beets, sugar, tops	10
Beets, tops	0.75
Blackberries	0.75
Blueberries	0.75
Boysenberries	0.75
Broccoli	0.75
Brussels sprouts	0.75
Cabbage	0.75
Carrots	0.75
Cattle, fat (pre-s appl)	0.75
Cattle, mbypp (pre-s appl)	0.75
Cattle, meat (pre-s appl)	0.75
Cauliflower	0.75
Celery	0.75
Cherries	0.75
Citrus	0.75
Clover (fresh)	40
Clover, hay	10
Collards	0.75
Corn, forage	40
Corn (inc sweet k+CWRR)	0.75

Cottonseed	0.2
Cowpeas	0.1
Cowpeas, forage	0.1
Cranberries	0.75
Cucumbers	0.75
Dandelions	0.75
Dewberries	0.75
Endive (escarole)	0.75
Figs	0.75
Filberts	0.5
Grapes	0.75
Grass (NMT 40 ppm shall remain 24 hours after appl)	60
Grass, hay	10
Hops	0.75
Kale	0.75
Kiwi fruit	0.75
Lespedeza	1
Lettuce	0.75
Loganberries	0.75
Melons	0.75
Mustard greens	0.75
Nectarines	0.75
Olives	1
Onions	0.75
Parsley	0.75
Parsnips	0.75
Peaches	0.75
Peanuts	0.75
Peanuts, forage	40
Peanuts, hay	10
Peanuts, hulls	10
Pears	0.75
Peavine hay	10
Peavines	25
Peas with pods (determined on peas after removing any shell present when marketed)	0.75
Pecans	0.5
Peppers	0.75
Pineapples	0.75
Pineapples, forage	40
Plums (fresh prunes)	0.75
Potatoes	0.1
Potatoes, sweet	0.1
Radishes	0.75
Raspberries	0.75
Sheep, fat (pre-s appl)	0.75
Sheep, mbypp (pre-s appl)	0.75
Sheep, meat (pre-s appl)	0.75
Sorghum, forage	10
Sorghum, grain	0.75
Soybeans	0.1
Soybeans, forage	0.1
Spinach	0.75
Squash, summer	0.75
Squash, winter	0.75
Strawberries	0.75
Sugarcane	0.75
Swiss chard	0.75
Tomatoes	0.75
Turnips, roots	0.75
Turnips, tops	0.75
Walnuts	0.5
Watercress	0.75

[FR Doc. 77-37320 Filed 12-30-77; 8:45 am]

[6820-35]

LEGAL SERVICES CORPORATION

[45 CFR Part 1606]

FINANCIAL ASSISTANCE AND DENIAL OF REFUNDING

Procedures Governing Termination

AGENCY: Legal Services Corporation.

ACTION: Proposed regulation.

SUMMARY: Section 1011 of the Legal Services Corporation Act requires the Corporation to establish procedures to ensure that no application for refunding

will be denied and financial assistance will not be terminated unless the recipient has been afforded an opportunity for a fair hearing. The Corporation previously specified procedures for denial of refunding in Part 1606 of its Regulations. Those procedures appear to be equally well suited to actions to terminate financial assistance. The version of Part 1606 previously published in proposed form has, therefore, been revised to include termination proceedings. The revision also reflects the proposed amendment to Section 1011 that, when requested, hearings conducted pursuant to its terms be presided over by a hearing officer who is not employed by the Corporation.

DATES: Comments must be received on or before February 2, 1978.

ADDRESS: Legal Services Corporation, 733 15th Street NW., Suite 700, Washington, D.C. 20005.

FOR FURTHER INFORMATION CONTACT:

Stephen S. Walters, 202-376-5113.

SUPPLEMENTARY INFORMATION:

There is little functional difference between a decision to deny refunding and a decision to terminate a recipient's grant or contract. Both are serious actions to be taken only if necessary to achieve the purpose of the Act. In the vast majority of cases, the Corporation will seek to ensure that service will continue to the community affected without regard to whether financial assistance has been terminated or refunding denied. The single difference between the two types of action is the equitable consideration that, having made a grant or contract with a particular recipient, the Corporation should not be permitted to terminate it on the basis of a policy that did not exist at the time the financial assistance was extended. That principle is reflected in section 1606.4 of the attached proposed regulation.

The second major revision of the regulation published previously reflects the amendment to the Act requiring that, when requested, hearings conducted pursuant to Section 1011(2) be presided over by an independent hearing examiner. Section 1606.8, as revised, goes beyond the Act by providing that the hearing officer shall always be a person who is independent and not an employee of the Corporation. The revision provides that the hearing examiner shall be appointed by the President, but contemplates that in most cases the hearing examiner will be a person selected by the recipient from a list prepared by the Corporation. If the recipient objects to all of the candidates on the list, the President may either overrule the objection and appoint one of the candidates as the hearing officer, or submit a new list to the recipient.

In order to prevent disruption and delay, any objections that the recipient has to the hearing examiner's qualifications of objectivity must be raised prior to the hearing or they are waived. Of course, a recipient may challenge the

manner in which a hearing is conducted and may obtain a new hearing if it can demonstrate that it was actually prejudiced by the hearing examiner's actions.

It is proposed to revise 45 CFR Part 1606 as follows:

Sec.	
1606.1	Purpose.
1606.2	Definitions.
1606.3	Grounds for denial of refunding.
1606.4	Grounds for termination.
1606.5	Preliminary determination.
1606.6	Informal conference.
1606.7	Initiation of proceedings.
1606.8	Presiding officer.
1606.9	Prehearing conference.
1606.10	Conduct of hearing.
1606.11	Obligations of the Corporation.
1606.12	Briefs and argument.
1606.13	Recommended decisions.
1606.14	Final decision.
1606.15	Time extension and waiver.
1606.16	Right to counsel.
1606.17	Reimbursement.
1606.18	Interim funding.
1606.19	Termination funding.
1606.20	Notice.

AUTHORITY. Sec. 1006(b) (1) and (3), 1007(a) (1), 1007(a) (3), 1007(a) (9), 1007(d), 1008(e), 1011 (42 U.S.C. 2996e(b) (1) and (3), 2996f(a) (1), 2996f(a) (3), 2996f(a) (9), 2996f(d), 2996g(e), 2996j).

§ 1606.1 Purpose.

By affording a recipient the opportunity for a timely, full, and fair hearing that will promote informed deliberation by the Corporation when there is reason to believe a grant or contract should be terminated or refunding denied, this Part seeks to avoid unnecessary disruption in the delivery of legal assistance to eligible clients.

§ 1606.2 Definitions.

(a) "Termination" means a decision that financial assistance to a recipient will be permanently terminated in whole or in part prior to expiration of the recipient's current grant or contract.

(b) "Denial of refunding" means a decision that, after expiration of its current grant or contract, a recipient: (1) will not be provided with financial assistance; or

(2) Will have its annual level of financial support reduced to an extent that is not required by a reduction in the Corporation's appropriation that is apportioned among all recipients of the same class, and is either more than 10 percent or more than \$20,000 below the recipient's annual level of financial assistance under its current grant or contract; or

(3) Will be provided with financial assistance subject to a new condition or restriction that is not generally applicable to all recipients of the same class, and that would significantly reduce the ability of a recipient to maintain its current level of legal assistance to eligible clients.

(c) "Director of a recipient" means the person who has overall day-to-day responsibility for management of operations by the recipient.

(d) "President", as used in this Part, means the President (or acting President) of the Corporation, and not his designee.

(e) "Presiding Officer" means the person appointed by the President to recommend a final decision that a grant or contract should be continued or terminated, or that refunding should be granted or denied.

§ 1606.3 Grounds for denial of refunding.

Refunding may be denied when: (a) Denial is required by law; or

(b) Denial is required by a Corporation policy that is generally applicable to all recipients of the same class; or

(c) There has been substantial failure by a recipient to comply with a provision of law, or a rule, regulation, or guideline issued by the Corporation, or a term or condition of a current or prior grant from or contract with the Corporation or a predecessor agency. In the absence of unusual circumstances, refunding shall not be denied for this cause unless the Corporation has given the recipient notice of such failure and an opportunity to take effective corrective action.

(d) There has been substantial failure by a recipient to provide high quality, economical, and effective legal assistance, as measured by generally accepted professional standards, the provisions of the Act, or a rule, regulation or guideline issued by the Corporation. In the absence of unusual circumstances, refunding shall not be denied for this cause unless the Corporation has given the recipient notice of such failure and an opportunity to take effective corrective action.

(e) Denial will implement a provision of the Act, or a Corporation policy, rule, regulation or guideline regarding economical or effective use of resources.

§ 1606.4 Grounds for termination.

A grant or contract may be terminated on any of the grounds and under the circumstances stated in § 1606.3, except that termination shall not be based on a Corporation policy that was not in effect when the current grant was made or when the current contract was entered into.

§ 1606.5 Preliminary determination.

(a) When there is reason to believe that a grant or contract should be terminated or that refunding should be denied, the Corporation shall serve a written preliminary determination upon the recipient, which shall state the grounds for the proposed action, and shall identify, with reasonable specificity, any facts or documents relied upon as justification for that action.

(b) The preliminary determination shall advise the recipient that it may, within ten days of receipt of the preliminary determination, make written request for: (1) A hearing under this Part, or

(2) An informal conference under § 1606.6 of this Part, with a subsequent right as there provided to request a hearing.

(c) The preliminary determination shall also advise the recipient of its

right to request interim or termination funding, as the case may be, under § 1606.18 or § 1606.19 of this Part.

(d) If the recipient advises the Corporation that it will not request review, or if it fails to request review within the time prescribed in § 1606.5(b) or § 1606.6, the preliminary determination shall become final.

§ 1606.6 Informal conference.

On timely request by the recipient, the Corporation employee who made the preliminary determination shall promptly conduct an informal conference with the recipient at a time and place designated by the employee. The parties thereto shall exchange views, seek to narrow the issues, and explore the possibilities of settlement or compromise. At the conclusion of the conference, which may be adjourned for deliberation or consultation, the Corporation employee may, in writing, modify, withdraw, or affirm the preliminary determination. The recipient may, within five days thereafter, make written request for a hearing under § 1606.9 through § 1606.15 of this Part.

§ 1606.7 Initiation of proceedings.

Within ten days of a request for a hearing made under § 1606.5(b) or § 1606.6, the Corporation shall notify a recipient in writing of: (a) The names of the three candidates to serve as the presiding officer, to be appointed pursuant to § 1606.8, and of the attorney who will represent the Corporation;

(b) The date, time and place scheduled for a prehearing conference, if any should be requested or ordered; and

(c) The date, time and place scheduled for the hearing.

§ 1606.8 Presiding officer.

(a) The presiding officer shall be appointed by the President, and shall be a person who is familiar with legal services and supportive of the purposes of the Act, who is independent, and who is not an employee of the Corporation.

(b) Within five days of receipt of the notice required by § 1606.7, the recipient shall either designate in writing which of the three candidates named in the notice it desires to serve as the presiding officer, or submit a written statement of objections to the three candidates. A statement of objections shall discuss each of the candidates separately, and shall specify the particular facts or documents that the recipient contends support its objections.

(c) The President shall appoint the person designated by the recipient pursuant to § 1606.8(b) to be the presiding officer. If the recipient submits a statement of objections, the President shall either overrule the objections to one of the three candidates and appoint that person as the presiding officer, or submit the names of three different candidates for consideration by the recipient pursuant to § 1606.8(b). If the recipient fails to respond within the time and in the manner prescribed by § 1606.8(b), the

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President shall appoint a presiding officer from among the three candidates.

(d) No objection to the President's appointment of a presiding officer may be made unless presented in the manner prescribed in this section.

§ 1606.9 Prehearing conference.

(a) A prehearing conference may be ordered by the presiding officer, and shall be ordered if requested by either the recipient or the Corporation. The matters to be considered at the conference shall include: (1) Proposals to define and narrow the issues;

(2) Efforts to stipulate the facts, in whole or in part;

(3) The probable number, identity, and order of presentation of exhibits and witnesses;

(4) On the agreement of the parties, the possibility of presenting the case on written submission or oral argument;

(5) The desirability of advance submission of some or all of the direct testimony in writing;

(6) Any necessary variation in the date, time and place of the hearing; and

(7) Such other matters as may be appropriate.

(b) In advance of the prehearing conference, the presiding officer may require a party to submit a written statement discussing any matter described in subparagraph (a). After the prehearing conference, the presiding officer may establish the procedures, consistent with this Part, to be followed at the hearing.

(c) The presiding officer may, at the prehearing conference or at any subsequent appropriate time prior to completion of the hearing, require the Corporation or the recipient, on sufficient notice, to produce a relevant document in its possession, to make a report not unduly burdensome to prepare, or to produce a person in its employ to testify, if any might offer a relevant and substantial addition to the accuracy or completeness of the record. With the consent of the presiding officer, a party may make a written submission before the hearing.

§ 1606.10 Conduct of hearing.

(a) The hearing shall be scheduled to commence at the earliest appropriate date, ordinarily not later than 45 days after the notice required by § 1606.7, and, whenever practical, shall be held at a place convenient to the recipient and the community it serves. A hearing affecting more than one community or recipient shall be held in a single centrally located place unless the presiding officer determines that an additional hearing place is required.

(b) The presiding officer shall preside, conduct a full and fair hearing, avoid delay, maintain order, and insure that a record sufficient for full disclosure of the facts and issues is made. The hearing shall be open to the public unless, for good cause and in the interests of justice, the presiding officer shall determine otherwise.

(c) The presiding officer may allow any interested person or organization to participate in the hearing if such participation will not broaden the issues unduly or cause delay, and will aid in proper determination of the issues.

(1) A person or organization wishing to participate in a hearing shall request permission from the presiding officer, stating the reason for the request, and the nature of the evidence or argument to be offered; and shall notify the Corporation and the recipient of its request.

(2) The presiding officer shall notify the Corporation, the recipient, and the person or organization requesting participation whether the request has been granted, and in case of denial shall include a brief statement of the reasons therefor.

(3) The presiding officer may limit the scope or form of participation authorized under this paragraph.

(d) The Corporation and the recipient each may present its case by oral or documentary evidence, conduct examination and cross-examination of witnesses, examine any document submitted by another party, and submit rebuttal evidence.

(e) If a party fails, without good cause, to produce a person or document required under § 1606.9(c), the presiding officer may make an adverse finding on the fact or issue with respect to which production was required.

(f) Technical rules of evidence shall not apply. The presiding officer shall make any procedural or evidentiary ruling that may help to insure full disclosure of the facts, to maintain order, or to avoid delay. Irrelevant, immaterial, repetitious or unduly prejudicial matter may be excluded.

(g) Official notice may be taken of published policies, rules, regulations, guidelines and instructions of the Corporation, of any matter of which judicial notice may be taken in a federal court, or of any other matter whose existence, authenticity, or accuracy is not open to serious question.

(h) A record or summary of the hearing shall be made in a manner determined by the presiding officer, and shall be made available to a party upon payment of its cost.

§ 1606.11 Obligations of the Corporation.

At a hearing under § 1606.10, (a) The Corporation shall have the obligation of proving, by a preponderance of the evidence, the existence of any disputed fact relied upon as justification for termination or denial of refunding on a ground described in paragraph (c) or (d) of § 1606.3; and

(b) On all other issues, the Corporation shall have the obligation of establishing a substantial basis for terminating the grant or contract or denying refunding.

§ 1606.12 Briefs and argument.

(a) Within ten days after the close of the hearing, each party may, and, upon

request of the presiding officer, shall submit to the presiding officer, with service upon all other parties, proposed findings of fact and argument on matters of law or policy.

(b) The presiding officer may direct or permit oral argument at the close of the hearing or after submission of briefs.

§ 1606.13 Recommended decision.

(a) As soon as practicable after the hearing, and normally within twenty days after its conclusion, the presiding officer shall issue a written recommended decision: (1) Continuing the recipient's current grant or contract, or granting refunding subject to any modification or condition that may be deemed necessary on the basis of information adduced at the hearing; or

(2) Terminating financial assistance to the recipient as of a particular date, or denying refunding.

(b) The recommended decision shall contain findings of the significant and relevant facts and shall state the reasons for the decision. Findings of fact shall be based solely on the evidence adduced at the hearing or on matters of which official notice was taken.

§ 1606.14 Final decision.

(a) If neither the Corporation nor the recipient requests review by the President, a recommended decision shall become final ten days after receipt by a recipient.

(b) The recipient or the Corporation may seek review by the President of a recommended decision. A request shall be made in writing within ten days after receipt by the party of the recommended decision, and shall state in detail the reasons for seeking review.

(c) As soon as practicable after receipt of a request for review of a recommended decision, and normally within thirty days, the President may adopt, modify, or reverse the recommended decision, or direct further consideration of the matter. In the event of modification or reversal, the President's decision shall conform to the requirements of § 1606.13(b).

(d) A decision by the President shall become final upon receipt by a recipient.

§ 1606.15 Time and extension and waiver.

(a) Any period of time provided in these rules may, upon good cause shown and determined, be extended: (1) By the person making the preliminary determination, prior to the time the presiding officer is designated;

(2) By the presiding officer, prior to the issuance of a recommended decision; or

(3) By the President at any time.

(b) Requests for extensions of time shall be considered in light of the overall objective that the procedures prescribed by this Part ordinarily shall be concluded within 90 days of the preliminary determination.

(c) Any other provision of these rules may be waived or modified: (1) By the presiding officer with the assent of the recipient and of counsel for the Corporation, or

(2) By the President upon good cause shown and determined.

§ 1606.16 Right to counsel.

At a hearing under § 1606.10, the Corporation and the recipient each shall be entitled to be represented by counsel, or by another person. The attorney designated may be an employee, or may be outside counsel retained for the purpose, who may be compensated at the reasonable and customary rate for an attorney practicing in the vicinity of the attorney retained. Unless prior written approval is received from the Corporation, such fees shall not exceed the daily equivalent of the rate of level V of the Executive Schedule specified in Section 5316 of Title 5, United States Code.

§ 1606.17 Reimbursement.

If the recipient's grant or contract is continued or refunding is granted after a preliminary determination has been issued under § 1606.5, a recipient, at the discretion of the President, may receive reimbursement by the Corporation, in whole or in part, for reasonable and actual expenses that were required in connection with proceedings under this Part.

§ 1606.18 Interim funding.

Failure by the Corporation to meet a time requirement of this Part shall not entitle a recipient to continuation of its grant or contract or to refunding. Pending a final determination under this Part, the Corporation shall provide the recipient with interim funding necessary to maintain its current level of legal assistance activities under the Act.

§ 1606.19 Termination funding.

After a final determination to terminate a recipient's grant or contract or to deny refunding, and without regard to whether a hearing has occurred, the Corporation may authorize temporary funding if necessary to enable a recipient to close or transfer current matters in a manner consistent with the recipient's professional responsibility to its present clients.

§ 1606.20 Notice.

A notice required to be sent to a recipient under this Part shall be sent to the director of the recipient, and may be sent to the chairperson of its governing body.

THOMAS EHRLICH,
President, Legal Services Corp.

[FR Doc 77-37319 Filed 12-30-77, 8:45 am]

[6820-35]

[45 CFR Part 1623]

PROCEDURES GOVERNING SUSPENSION OF FINANCIAL ASSISTANCE

AGENCY: Legal Services Corporation.

ACTION: Proposed regulation.

SUMMARY: Section 1011 of the Legal Services Corporation Act requires that the Corporation establish procedures to ensure that financial assistance to a recipient will not be suspended without an opportunity for the recipient to show cause why the suspension should not occur. This Part responds to that requirement by specifying the circumstances in which suspension is authorized, and establishing procedures for the recipient to present its case in opposition to a proposed suspension.

DATES: Comments must be received on or before February 2, 1978.

ADDRESS: Legal Services Corporation, 733 15th Street, NW., Suite 700, Washington, D.C. 20005.

FOR FURTHER INFORMATION CONTACT:

Stephen S. Walters, 202-376-5113.

SUPPLEMENTARY INFORMATION:

At the outset, it should be emphasized that the suspension power is in many ways the most extreme sanction available to the Corporation in discharging its responsibilities under the Act. Financial assistance is continued during proceedings to deny applications for refunding and to terminate financial assistance, and in most instances the Corporation establishes a new grantee to provide service in the community affected. This is not the case with suspension. That power should, therefore, be used only as a last resort to correct serious deficiencies in a program where the recipient has refused to do so voluntarily.

In light of these considerations, this Part provides that financial assistance can be suspended only where a recipient is guilty of a substantial failure to comply with a provision of law, a Corporation rule, regulation, guideline, or a term or condition of its current grant, or has substantially failed to provide high quality, economical, and effective legal assistance. In those cases, suspension proceedings cannot be initiated unless the recipient has been informed of its failure and had a reasonable opportunity to correct it.

The second major restriction on the power to suspend financial assistance is that a particular suspension cannot be in effect for a total of more than 30 days. The Corporation employee who orders suspension may set the effective date of the suspension to coincide with the Corporation's schedule for making grant payments, and may rescind or modify the suspension at any time based on considerations such as the progress made toward compliance and the ability of the recipient to continue serving existing clients. After financial assistance has been suspended for a total of 30 days, however, the Corporation must initiate termination proceedings if it believes further action is necessary. The recipient may, of course, agree to an extension of the suspension instead, if it believes that compliance is imminent and

does not wish to suffer the expense and dislocation of termination proceedings.

It is proposed to amend 45 CFR chapter XVI by adding the following new Part 1623:

Sec.

- 1623.1 Purpose.
- 1623.2 Definition.
- 1623.3 Grounds for suspension.
- 1623.4 Suspension.
- 1623.5 Time extension and waiver.
- 1623.6 Interim funding.

AUTHORITY: Sec. 1006(b) (1) and (3), 1007 (a) (1), 1007(a) (3), 1007(a) (9), 1007(d), 1008(c) 1011 (42 U.S.C. 2996e(b) (1) and (3), 2996f(a) (1), 2996f(a) (3), 2996f(a) (9), 2996f (d), 2996g(c), 2996j).

§ 1623.1 Purpose.

By providing procedures for prompt review that will ensure informed deliberation by the Corporation when there is reason to believe that financial assistance to a recipient should be suspended, this Part seeks to avoid unnecessary disruption in the delivery of legal assistance to eligible clients.

§ 1623.2 Definition.

"Suspension" means any action temporarily suspending or curtailing financial assistance to a recipient in whole or in part prior to the expiration of the recipient's current grant from or contract with the Corporation.

§ 1623.3 Grounds for suspension.

Financial assistance provided to a recipient may be suspended when:

(a) There has been substantial failure by a recipient to comply with a provision of law, or a rule, regulation, or guideline issued by the Corporation, or a team or condition of the recipient's current grant from or contract with the Corporation; or

(b) There has been substantial failure by a recipient to provide high quality, economical, and effective legal assistance, as measured by generally accepted professional standards, the provisions of the Act, or a rule, regulation, or guideline issued by the Corporation.

(c) In the absence of unusual circumstances, suspension shall not take place unless the Corporation has given the recipient notice of its failure and an opportunity to take effective corrective action.

§ 1623.4 Suspension.

(a) When there is reason to believe that financial assistance to a recipient should be suspended, the Corporation shall serve a written preliminary determination on the recipient stating the grounds and effective date for the proposed suspension, and identifying, with reasonable specificity, any facts or documents relied upon as justification for the suspension. The preliminary determination shall also specify any corrective action that the recipient must take to avoid or end the suspension.

(b) The preliminary determination shall advise the recipient that it may, within five days of receipt of the preliminary determination, request an informal meeting with the Corporation at which it may attempt to show that the