

the matter should be resolved by informal means, including conciliation, and persuasion, whenever possible. This will also include establishing a corrective action program in accordance with § 60-250.26(g)(2). Where the apparent violation is not resolved by informal means, the Director shall proceed in accordance with the enforcement procedures contained in this part.

(b) *Judicial enforcement.* In addition to the administrative remedies set forth herein, the Director may, within the limitations of applicable law, seek appropriate judicial action to enforce the contractual provisions set forth in § 60-250.4 including appropriate injunctive relief.

(c) *Withholding progress payments.* With the prior approval of the Director so much of the accrued payment due on the contract or any other contract between the Government prime contractor and the Federal Government may be withheld as necessary to correct any violations of the provisions of the affirmative action clause.

(d) *Termination.* A contract or subcontract may be canceled or terminated, in whole or in part, for failure to comply with the provisions of the affirmative action clause.

(e) *Debarment.* A prime contractor or subcontractor or a prospective contractor or subcontractor may be debarred from receiving future contracts for failure to comply with the provisions of the affirmative action clause.

#### § 60-250.29 Formal hearings.

(a) *Hearing opportunity.* An opportunity for a formal hearing shall be afforded to a prime contractor or a subcontractor or a prospective prime contractor or subcontractor by the Director in any of the following circumstances:

(1) An apparent violation of the affirmative action clause by a contractor or subcontractor, as shown by any investigation, is not resolved by informal means and a hearing is requested; or

(2) The Director proposes to cancel or terminate the contract or withhold progress payments, or cause the contract to be canceled or terminated or progress payments to be withheld, in whole or in part, on a contract or contracts, or to require cancellation or

termination of a contract or subcontract or withholding of progress payments; or

(3) The Director proposes to declare a prime contractor or subcontractor ineligible for further contracts or subcontracts under the Act.

(b) *Hearing practice and procedure.* (1) All hearings conducted under section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974 and the regulations in this part shall be governed by the Rules of Practice for Administrative Proceedings to Enforce Equal Opportunity Under Executive Order 11246 contained in 41 CFR part 60-30. Complaints may be issued by the Solicitor, Associate Solicitor for Labor Relations and Civil Rights, Regional Solicitors and the Regional Attorney.

(2) For the purposes of hearings pursuant to this part 60-250, references in 41 CFR part 60-30 to "Executive Order 11246" shall mean section 402 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974; to "equal opportunity clause" shall mean the affirmative action clause published at 41 CFR 60-250.4; and to "regulations" shall mean the regulations contained in this part.

[43 FR 49268, Oct. 20, 1978; 43 FR 51402, Nov. 3, 1978, as amended at 44 FR 49691, Aug. 24, 1979; 61 FR 19989, May 3, 1996]

#### § 60-250.30 Notification of agencies.

The Director shall notify the heads of all agencies of any action for non-compliance taken against any contractor after such actions have been taken. No agency may issue a waiver under § 60-250.3(b)(1) to any contractor subject to such action without prior approval of the Director.

#### § 60-250.31 Contractor ineligibility list.

The Director shall distribute periodically a list to all executive departments and agencies giving the names of prime contractors and subcontractors who have been declared ineligible under the regulations in this part and the Act.

#### § 60-250.32 Disputed matters related to the affirmative action program.

The procedures set forth in the regulations in this part govern all disputes relative to a contractor's compliance