

PART 262 — IMPLEMENTATION OF PROGRAM FOR CAPITAL GRANTS FOR RAIL LINE RELOCATION AND IMPROVEMENT PROJECTS [49 CFR 262]

§ 262.11 Application process.

(a) All grant applications for opportunities funded under this subsection must be submitted to FRA through www.grants.gov. Opportunities to apply will be posted by FRA on www.grants.gov only after funds have been appropriated for Capital Grants for Rail Line Relocation Projects. The electronic posting will contain all of the information needed to apply for the grant, including required supporting documentation.

(b) In addition to the information required with an individual application, a State must submit a description of the anticipated public and private benefits associated with each rail line relocation or improvement project described in §262.7(a)(1) and (2) and the State's assessment of how those benefits outweigh the costs of the proposed project. The determination of such benefits shall be developed in consultation with the owner and user of the rail line being relocated or improved or other private entity involved in the project. The State should also identify any financial contributions or commitments it has secured from private entities that are expected to benefit from the proposed project.

(c) Potential applicants may request a meeting with the FRA Associate Administrator for Railroad Development or his designee to discuss the nature of the project being considered.

§ 262.15 Environmental assessment.

(a) The provision of grant funds by FRA under this Part is subject to a variety of environmental and historic preservation statutes and implementing regulations including, but not limited to, the National Environmental Policy Act (NEPA) ([42 U.S.C. 4332 et seq.](#)), Section 4(f) of the Department of Transportation Act ([49 U.S.C. 303\(c\)](#)), the National Historic Preservation Act ([16 U.S.C. 470\(f\)](#)), and the Endangered Species Act ([16 U.S.C. 1531](#)). Appropriate environmental and historic documentation must be completed and approved by the Administrator prior to a decision by FRA to approve a project for physical construction. FRA's "Procedures for Considering Environmental Impacts," as posted at <http://www.fra.dot.gov/us/content/252>, the NEPA regulation of the Council on Environmental Quality (40 CFR part 1500) and the Advisory Council on Historic Preservation Protection of Historic Properties regulation (36 CFR part 800) will govern FRA's compliance with applicable environmental and historic preservation review requirements.

(b) States have two options for proceeding with environmental/historic preservation reviews. A State may file an application under subsection §262.11 seeking funds for preliminary design and environmental/historic preservation compliance for a potentially eligible project and FRA will review and decide on the application as outlined in this Part. Alternatively, a State may proceed with and fund any costs associated with environmental/historic preservation reviews (including environmental assessments and categorical excisions, but not environmental impact statements

since there are restrictions on what types of entities can manage an environmental impact statement) and seek reimbursement from FRA for these costs to the extent they otherwise qualify as allowable costs if FRA later approves the project for physical construction and enters into a grant agreement with the State. If a State pays for the compliance work itself, it may apply this cost to the 10% matching requirement if a grant is awarded. Applicants should consult with FRA before beginning any environmental or historic preservation analysis.

§ 262.17 Combining grant awards.

Two or more States, but not political subdivisions of States, may, pursuant to an agreement entered into by the States, combine any part of the amounts provided through grants for a project under this section provided:

- (1) The project will benefit each of the States entering into the agreement; and
- (2) The agreement is not a violation of the law of any such State.

§ 262.19 Close-out procedures.

(a) Thirty days before the end of the grant period, FRA will notify the State that the period of performance for the grant is about to expire and that close-out procedures will be initiated.

(b) Within 90 days after the expiration or termination of the grant, the State must submit to FRA any or all of the following information, depending on the terms of the grant:

- (1) Final performance or progress report;
- (2) Financial Status Report (SF-269) or Outlay Report and Request for Reimbursement for Construction Programs (SF-271);
- (3) Final Request for Payment (SF-270);
- (4) Patent disclosure (if applicable);
- (5) Federally-owned Property Report (if applicable)

(c) If the project is completed, within 90 days after the expiration or termination of the grant, the State shall complete a full inspection of all construction work completed under the grant and submit a report to FRA. If the project is not completed, the State shall submit a report detailing why the project was not completed.

(d) FRA will review all close-out information submitted, and adjust payments as necessary. If FRA determines that the State is owed additional funds, FRA will promptly make payment to the State for any unreimbursed allowable costs. If the State has received more funds than the total

allowable costs, the State must immediately refund to the FRA any balance of unencumbered cash advanced that is not authorized to be retained for use on other grants.

(e) FRA will notify the State in writing that the grant has been closed out.