



Guidance

FHWA Direct Recipient Discretionary Grant Projects

Introduction

For most FHWA-funded local government projects, TxDOT is the entity that submits the Federal Project Authorization and Agreement to FHWA request Federal funding for the local government project, and FHWA then provides the Federal funding for the local government project through TxDOT. However, some local government projects are funded by FHWA through a discretionary grant that is provided directly from FHWA to the local government recipient, without TxDOT acting as a go-between. This guidance explains the environmental clearance procedure for such direct recipient discretionary grant projects.

Procedure

1. For each direct recipient discretionary grant project, as soon as FHWA-TX identifies a project that is anticipated to receive Federal funding through a discretionary grant, FHWA-TX will provide a list of DG projects to ENV's Project Delivery Section Director. The list will have the contact information for the grant recipient for each project.
2. ENV's Project Delivery Section Director will assign a CSJ to each of the projects. ENV will use a special numbering convention for the CSJs for these projects so that they can eventually be easily identified in the monthly list of clearances that TxDOT provides to FHWA.
3. ENV's Project Delivery Section Director will assign the project(s) to ENV Project Delivery Section Staff via email.
4. ENV's Project Delivery Staff will enter the CSJ for the project and fill-in the "ENV POC" column on the "FHWA NEPA Conveyance List_Master.xlsx" spreadsheet on the SharePoint site.

Environmental clearance process for "planning-only" grants

1. If the grant is merely for planning, and not for an actual construction project, and if in ENV's judgment the grant qualifies for a (c)(1) CE, then ENV Project Delivery Section Staff will not create a project in ECOS. Instead, ENV Project Delivery Staff will environmentally clear the grant as a (c)(1) CE by doing the following.
2. On the "FHWA NEPA Conveyance List_Master.xlsx" spreadsheet on the SharePoint site, ENV Project Delivery Section Staff will fill-in the "Type of Env Doc" as (c)(1) CE, and fill-in the "NEPA Clearance Date" and any other relevant information on the spreadsheet.
3. ENV will include a copy of the "FHWA NEPA Conveyance List_Master.xlsx" spreadsheet when it transmits the monthly list of approvals and decisions to FHWA-TX. The copy of the "FHWA NEPA Conveyance List_Master.xlsx" spreadsheet will be an additional attachment on the email from ENV to FHWA-TX transmitting the monthly list of approvals and decisions.
4. After completing the above steps, TxDOT will have no further environmental review or compliance responsibilities or involvement regarding the project.



Environmental clearance process for construction project grants

1. ENV Project Delivery Section Staff will reach out to the grant recipient contact person identified in the FHWA-TX list to collect information needed to complete the project work plan in ECOS.
2. ENV Project Delivery Section Staff will create the project in ECOS (it will likely not be in DCIS) and develop the project work plan in ECOS. For the lead agency question, select “FHWA-Assigned to TxDOT” (unless the project crosses a state boundary or requires a Presidential Permit, in which case select “FHWA—Not Assigned to TxDOT”). For the project sponsor question, select “TxDOT” unless the grant recipient is a local government that intends to be the official project sponsor for purposes of the environmental review.
3. The grant recipient will be responsible for:
 - a. Providing all reports, documents, analysis, and information required for completion of TxDOT’s environmental review process as specified ENV’s guidance and instructions, including but not limited to the guidance and instructions provided on ENV’s Environmental Compliance Toolkits web page on www.txdot.gov.
 - b. Conducting coordination with other agencies and public involvement as specified in ENV’s guidance and instructions, including but not limited to the guidance and instructions provided on ENV’s Environmental Compliance Toolkits web page on www.txdot.gov. (ENV’s Environmental Guide Volume 2 has instructions about which entity is responsible for agency coordination for specific types of resource impacts. The references to “district environmental staff” in ENV’s instructions means the grant recipient or their consultant. A grant recipient should discuss with ENV Project Delivery Section Staff to determine responsibility for resource agency coordination, since it differs depending on the agency.)
 - c. Obtaining all required permits, authorizations, and approvals required by applicable environmental laws and regulations.
 - d. Ensuring that the Project complies with all applicable environmental laws and regulations.
 - e. Performing any mitigation identified during the environmental review process

If the grant recipient intends to use discretionary grant funds to provide the analyses and conduct the coordination, public involvement, etc. described above, then the grant recipient will need to wait until it executes a grant agreement with FHWA before it can do so.

4. ENV Project Delivery Section Staff and ENV subject matter experts will process the materials provided by the grant recipient as specified in ENV’s Environmental Guide Volume 2. ENV Project Delivery Section Staff will issue the NEPA clearance in ECOS in accordance with TxDOT’s authority under the NEPA Assignment program (23 USC 327) if ENV Project Delivery Section Staff determines that the grant recipient has satisfied all prerequisites as specified in ENV’s guidance and instructions.
5. ENV Project Delivery Section Staff will fill-in the “Type of Env Doc,” “NEPA Clearance Date,” and any other relevant information on the “FHWA NEPA Conveyance List_Master.xlsx” spreadsheet on the SharePoint site.



6. ENV will include the clearance on the monthly list of approvals and decisions under NEPA assignment that it provides to FHWA-TX. ENV will use a special numbering convention for the CSJs for these projects so that they can be easily identified in the monthly list.
7. After completing the above steps, TxDOT will have no further environmental review or compliance responsibilities or involvement regarding the project.



Appendix A: Revision History

The following table shows the revision history for this guidance document.

Revision History	
Effective Date Month, Year	Reason for and Description of Change
September 2024	Version 3 was released. <ul style="list-style-type: none">Revised procedure for (c)(1) “planning only” grants so that ENV will transmit a copy of the spreadsheet to FHWA along with the monthly list of approvals and decisions as a workaround due to technical issues with FHWA-TX directly accessing the spreadsheet on Sharepoint.
August 2024	Version 2 was released. <ul style="list-style-type: none">Added separate instructions for “planning only” grants.Added instructions for ENV Project Delivery Section Staff to fill-in information in the “FHWA NEPA Conveyance List_Master.xlsx” spreadsheet on the SharePoint site.
December 2023	Version 1 was released.