suitable for the purpose for which it was constructed.

(b) Specific programs covered. From time to time the Director may publish a list of the construction grant programs covered by this part. The list is for informational purposes only and is not intended to restrict the statement of applicability in paragraph (a) of this section. In addition, information on particular construction grant programs, including applications and instructions, may be obtained from the component of NIH that administers the program.

(c) Specific programs excluded. The regulations of this part do not apply to minor alterations, renovations, or repairs funded under a research project grant (see part 52 of this chapter) or alterations or renovations funded under an NIH center grant (see part 52a of this chapter).

§ 52b.2 Definitions.

As used in this part:

*Act* means the Public Health Service Act, as amended (42 U.S.C. 201 et seq.).

*Construction* means the construction of new buildings or the modernization of, or the completion of shell space in, existing buildings (including the installation of fixed equipment), but excluding the cost of land acquisition and off-site improvements.

*Construction grant* means funds awarded for construction in accordance with the applicable provisions of the Act and this part.

*Director* means the Director of NIH or the director of an NIH national research institute, center, or other component of NIH, authorized to award grants for construction under the applicable provisions of the Act, and any official to whom the authority involved is delegated.

*Federal share* with respect to any construction project means the proportion, expressed as a percentage, of the cost of a project to be paid by a grant award under the Act.

*HHS, DHHS,* and *Department* mean the Department of Health and Human Services.

*Institute* means any national research institute, center, or other agency of the National Institutes of Health.

*Modernization* means the alteration, renovation, remodeling, improvement, expansion, and/or repair of existing buildings and the provision of equipment necessary to make the building suitable for use for the purposes of the particular program.

*Nonprofit* as applied to any agency or institution means an agency or institution which is a corporation or an association, no part of the net earnings of which inures or may lawfully inure to the benefit of any private shareholder or individual.

*Project* means the particular construction activity which is supported by a grant under this part.

*Secretary* means the Secretary of Health and Human Services and any official to whom the authority involved is delegated.

§ 52b.3 Who is eligible to apply?

In order to be eligible for a construction grant under this part, the applicant must:

(a) Be a public or private nonprofit agency or institution;

(b) Be located in a state, the District of Columbia, Puerto Rico, the Virgin Islands, the Canal Zone, Guam, American Samoa, or the successor states of the Trust Territory of the Pacific Islands (the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau); and

(c) Meet any additional eligibility criteria specified in the applicable provisions of the Act.

§ 52b.4 How to apply.

Applications for construction grants under this part shall be made at the times and in the form and manner as the Secretary may prescribe.

§ 52b.5 How will NIH evaluate applications?

(a) In evaluating and approving applications for construction grants under this part, the Director shall take into account, among other pertinent factors, the following:

(1) The priority score assigned to the application by an NIH peer review
group as described in paragraph (b) of this section;
(2) The relevance of the project for which construction is proposed to the objectives and priorities of the particular program authorized by the Act;
(3) The scientific merit of the research activities that will be carried out in the proposed facility;
(4) The scientific or professional standing or reputation of the applicant and of its existing or proposed officers and research staff;
(5) The availability, by affiliation or other association, of other scientific or health personnel and facilities to the extent necessary to carry out effectively the program proposed for the facility, including the adequacy of an acceptable biohazard control and containment program when warranted;
(6) The need for the facility and its total effects on similar or related facilities in the locale, and the need for appropriate geographic distribution of similar facilities; and
(7) The financial need of the applicant.

(b) The priority score of the application shall be based, among other pertinent factors, on the following criteria:
(1) The scientific merit of the total program and its component parts to be carried out in the facility;
(2) The administrative and leadership capabilities of the applicant’s officers and staff;
(3) The organization of the applicant’s research program and its relationship with the applicant’s overall research programs;
(4) The anticipated effect of the project on other relevant research programs and facilities in the geographic area, and nationwide;
(5) The need for the project or additional space; and
(6) The project cost and design.

§ 52b.6 What is the rate of federal financial participation?
(a) Unless otherwise specified by statute, the rate of federal financial participation in a construction project supported by a grant under this part shall not be more than 50 percent of the necessary allowable costs of construction unless the Director finds good cause for waiving this limitation, the amount of the construction grant may be more than 50 percent of the necessary allowable costs of construction.

(b) Subject to paragraph (a) of this section, the Director shall set the actual rate of federal financial participation in the necessary allowable costs of construction, taking into consideration the most effective use of available federal funds to further the purposes of the applicable provisions of the Act.

§ 52b.7 How is the grantee obligated to use the facility?
(a) The grantee shall use the facility (or that portion of the facility supported by a grant under this part) for its originally authorized purpose so long as needed for that purpose, or other period prescribed by statute, unless the grantee obtains advance approval from the Director, in the form and manner as the Director may prescribe, to use the facility for another purpose. Use for other purposes shall be limited as prescribed in §52b.9(c)(2).

(b) The Director, in determining whether to approve an alternative use of the facility, shall take into consideration the extent to which:
(1) The facility will be used by the grantee or other owner for a purpose described in §52b.9(c)(2); or
(2) There are reasonable assurances that alternative facilities not previously used for NIH supported research will be utilized to carry out the original purpose as prescribed in §52b.9(c)(1).

(c) Sale or transfer. In the form and manner as the Director may prescribe, the grantee may request the Director’s approval to sell the facility or transfer title to a third party eligible under §52b.3 for continued use of the facility for an authorized purpose in accordance with paragraphs (a) and (b) of this section. If approval is permissible under the Act or other federal statute and is granted, the terms of the transfer shall provide that the transferee shall assume all the rights and obligations of the transferor set forth in 45 CFR part 74, the regulations of this part, and the other terms and conditions of the grant.