**Section 871.401 Project Initiation**

Any obligation of the State of Illinois and the Agency to make any payment of grant funds shall terminate absolutely unless the grantee initiates performance of its obligations under the grant no later than one calendar year from the date of acceptance by the grantee of a Planning Grant offer or not later than 3 months from the date of acceptance of an Enforcement Grant offer or as otherwise provided by the grant agreement. Performance of obligations under the grant shall be deemed to have been initiated on the execution of an agreement or contract for any element of project work; or, if an agreement or contract covering an element of the work has previously been entered into, upon the issuance of a notice to proceed with that work.