

HB2664



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB2664

Introduced 2/6/2025, by Rep. Kyle Moore

SYNOPSIS AS INTRODUCED:

30 ILCS 708/45

Amends the Grant Accountability and Transparency Act. Provides that the Act does not apply to State and federal pass-through awards to municipalities with a population of no greater than 5,000. Effective immediately.

LRB104 07497 HLH 17541 b

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Grant Accountability and Transparency Act
5 is amended by changing Section 45 as follows:

6 (30 ILCS 708/45)

7 Sec. 45. Applicability.

8 (a) Except as otherwise provided in this Section, the
9 requirements established under this Act apply to State
10 grant-making agencies that make State and federal pass-through
11 awards to non-federal entities. These requirements apply to
12 all costs related to State and federal pass-through awards.
13 The requirements established under this Act do not apply to
14 private awards, to allocations of State revenues paid over by
15 the Comptroller to units of local government and other taxing
16 districts pursuant to the State Revenue Sharing Act from the
17 Local Government Distributive Fund or the Personal Property
18 Tax Replacement Fund, to allotments of State motor fuel tax
19 revenues distributed by the Department of Transportation to
20 units of local government pursuant to the Motor Fuel Tax Law
21 from the Motor Fuel Tax Fund or the Transportation Renewal
22 Fund, or to awards, including capital appropriated funds, made
23 by the Department of Transportation to units of local

1 government for the purposes of transportation projects
2 utilizing State funds, federal funds, or both State and
3 federal funds, or to State and federal pass-through awards to
4 municipalities with a population of no greater than 5,000.

5 This Act shall recognize that federal and federal pass-through
6 awards from the Department of Transportation to units of local
7 government are governed by and must comply with federal
8 guidelines under 2 CFR Part 200.

9 The changes made by this amendatory Act of the 102nd
10 General Assembly apply to pending actions as well as actions
11 commenced on or after the effective date of this amendatory
12 Act of the 102nd General Assembly.

13 (a-5) Nothing in this Act shall prohibit the use of State
14 funds for purposes of federal match or maintenance of effort.

15 (b) The terms and conditions of State, federal, and
16 pass-through awards apply to subawards and subrecipients
17 unless a particular Section of this Act or the terms and
18 conditions of the State or federal award specifically indicate
19 otherwise. Non-federal entities shall comply with requirements
20 of this Act regardless of whether the non-federal entity is a
21 recipient or subrecipient of a State or federal pass-through
22 award. Pass-through entities shall comply with the
23 requirements set forth under the rules adopted under
24 subsection (a) of Section 20 of this Act, but not to any
25 requirements in this Act directed towards State or federal
26 awarding agencies, unless the requirements of the State or

1 federal awards indicate otherwise.

2 When a non-federal entity is awarded a cost-reimbursement
3 contract, only 2 CFR 200, Subpart D, Post Federal Award
4 Requirements (Subrecipient Monitoring and Management) are
5 incorporated by reference into the contract. However, when the
6 Cost Accounting Standards are applicable to the contract, they
7 take precedence over the requirements of this Act unless they
8 are in conflict with Subpart F of 2 CFR 200. In addition, costs
9 that are made unallowable under 10 U.S.C. 2324(e) and 41
10 U.S.C. 4304(a), as described in the Federal Acquisition
11 Regulations, subpart 31.2 and subpart 31.603, are always
12 unallowable. For requirements other than those covered in
13 Subpart D of 2 CFR 200, Subpart D, Post Federal Award
14 Requirements (Subrecipient Monitoring and Management), the
15 terms of the contract and the Federal Acquisition Regulations
16 apply.

17 With the exception of Subpart F of 2 CFR 200, which is
18 required by the Single Audit Act, in any circumstances where
19 the provisions of federal statutes or regulations differ from
20 the provisions of this Act, the provision of the federal
21 statutes or regulations govern. This includes, for agreements
22 with Indian tribes, the provisions of the Indian
23 Self-Determination and Education and Assistance Act, as
24 amended, 25 U.S.C. 450-458ddd-2.

25 (c) State grant-making agencies may apply subparts A
26 through E of 2 CFR 200 to for-profit entities, foreign public

1 entities, or foreign organizations, except where the awarding
2 agency determines that the application of these subparts would
3 be inconsistent with the international obligations of the
4 United States or the statute or regulations of a foreign
5 government.

6 (d) 2 CFR 200.101 specifies how 2 CFR 200 is applicable to
7 different types of awards. The same applicability applies to
8 this Act.

9 (e) (Blank).

10 (f) For public institutions of higher education, the
11 provisions of this Act apply only to awards funded by federal
12 pass-through awards from a State agency to public institutions
13 of higher education. This Act shall recognize provisions in 2
14 CFR 200 as applicable to public institutions of higher
15 education, including Appendix III of Part 200 and the cost
16 principles under Subpart E.

17 (g) Each grant-making agency shall enhance its processes
18 to monitor and address noncompliance with reporting
19 requirements and with program performance standards. Where
20 applicable, the process may include a corrective action plan.
21 The monitoring process shall include a plan for tracking and
22 documenting performance-based contracting decisions.

23 (h) Notwithstanding any provision of law to the contrary,
24 grants awarded from federal funds received from the federal
25 Coronavirus State Fiscal Recovery Fund in accordance with
26 Section 9901 of the American Rescue Plan Act of 2021 are

1 subject to the provisions of this Act, but only to the extent
2 required by Section 9901 of the American Rescue Plan Act of
3 2021 and other applicable federal law or regulation.

4 (Source: P.A. 102-16, eff. 6-17-21; 102-626, eff. 8-27-21;
5 102-813, eff. 5-13-22; 102-1092, eff. 6-10-22; 103-616, eff.
6 7-1-24.)

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.