



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4707

by Rep. Dagmara Avelar

SYNOPSIS AS INTRODUCED:

30 ILCS 708/50
30 ILCS 708/135 new

Amends the Grant Accountability and Transparency Act. Provides that the advice and technical assistance provided to State grant-making agencies by the Governor's Office of Management and Budget for the purpose of ensuring compliance with the Act shall include training for State agency staff. Sets forth requirements for the training. Provides that a State grant-making agency that awards a grant must issue the grant agreement associated with the grant within 60 days after the grant's effective date. Sets forth requirements for the grant agreement.

LRB104 20481 HLH 33951 b

1 AN ACT concerning finance.

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 50 and by adding Section 135 as
6 follows:

7 (30 ILCS 708/50)

8 Sec. 50. State grant-making agency responsibilities.

9 (a) The specific requirements and responsibilities of
10 State grant-making agencies and non-federal entities are set
11 forth in this Act. State agencies making State awards to
12 non-federal entities must adopt by rule the language in 2 CFR
13 Part 200, Subpart C through Subpart F unless different
14 provisions are required by law.

15 (b) Each State grant-making agency shall appoint a Chief
16 Accountability Officer who shall serve as a liaison to the
17 Grant Accountability and Transparency Unit and who shall be
18 responsible for the State agency's implementation of and
19 compliance with the rules.

20 (c) In order to effectively measure the performance of its
21 recipients and subrecipients, each State grant-making agency
22 shall:

23 (1) require its recipients and subrecipients to relate

1 financial data to performance accomplishments of the award
2 and, when applicable, must require recipients and
3 subrecipients to provide cost information to demonstrate
4 cost-effective practices. The recipient's and
5 subrecipient's performance should be measured in a way
6 that will help the State agency to improve program
7 outcomes, share lessons learned, and spread the adoption
8 of promising practices; and

9 (2) provide recipients and subrecipients with clear
10 performance goals, indicators, and milestones and must
11 establish performance reporting frequency and content to
12 not only allow the State agency to understand the
13 recipient's progress, but also to facilitate
14 identification of promising practices among recipients and
15 subrecipients and build the evidence upon which the State
16 agency's program and performance decisions are made. The
17 frequency of reports on performance goals, indicators, and
18 milestones required under this Section shall not be more
19 frequent than quarterly. Nothing in this Section is
20 intended to prohibit more frequent reporting to assess
21 items such as service needs, gaps, or capacity, as
22 indicated by a corrective action plan or by a risk
23 assessment.

24 (3) Each State grant-making agency shall, when it is
25 in the best interests of the State, request that the
26 Office of the Comptroller issue a stop payment order in

1 accordance with Section 105 of this Act.

2 (4) Upon notification by the Grant Transparency and
3 Accountability Unit that a stop payment order has been
4 requested by a State grant-making agency, each State
5 grant-making agency who has issued a grant to that
6 recipient or subrecipient shall determine if it remains in
7 the best interests of the State to continue to issue
8 payments to the recipient or subrecipient.

9 (d) The Governor's Office of Management and Budget shall
10 provide such advice and technical assistance to the State
11 grant-making agencies as is necessary or indicated in order to
12 ensure compliance with this Act. The advice and technical
13 assistance provided to State grant-making agencies by the
14 Governor's Office of Management and Budget shall include
15 training for State agency staff. That training shall include
16 the following:

17 (1) a review of services that are subject to the State
18 Prompt Payment Act;

19 (2) an explanation of how to determine if the awardee
20 is eligible for advance payments, reimbursement, or
21 working capital advances; and

22 (3) information concerning the jurisdiction of the
23 Court of Claims and the role and responsibilities of State
24 grant-making agencies under the Court of Claims Act.

25 (e) In accordance with this Act and the Illinois State
26 Collection Act of 1986, refunds required under the Grant Funds

1 Recovery Act may be referred to the Comptroller's offset
2 system.

3 (Source: P.A. 103-1068, eff. 3-21-25.)

4 (30 ILCS 708/135 new)

5 Sec. 135. Grant agreement specifications.

6 (a) A State grant-making agency that awards a grant must
7 issue the grant agreement associated with the grant within 60
8 days after the grant's effective date.

9 (b) The grant agreement required under this Section shall
10 include:

11 (1) a statement of the anticipated time during which
12 the grantee will submit a bill or invoice to the State
13 grant-making agency and the anticipated time during which
14 the State grant-making agency will transmit vouchers to
15 the Comptroller;

16 (2) a statement regarding whether the award of
17 assistance is subject to the State Prompt Payment Act; and

18 (3) a statement indicating whether the payment
19 methodology is advance pay, reimbursement, or working
20 capital advance.

21 (c) A State agency shall not restrict indirect costs to
22 less than 20% of the grant agreement or the federally
23 negotiated rate, whichever is higher, unless the recipient
24 prefers a lower rate.

25 (d) Pursuant to the definition of direct costs in Section

1 15 of this Act, a State agency shall not restrict costs that
2 are directly related to a specific award but that would
3 otherwise be treated as indirect costs to less than 20% of
4 direct costs in the grant agreement unless the recipient
5 prefers a lower rate.

6 (e) This Section does not apply to grants that are solely
7 for the purpose of capital projects.

8 (f) This Section does not apply if the grant conflicts
9 with requirements due to federal law or federal grant
10 obligations.