## 101ST GENERAL ASSEMBLY

# State of Illinois

## 2019 and 2020

#### SB2284

Introduced 10/28/2019, by Sen. Andy Manar

## SYNOPSIS AS INTRODUCED:

30 ILCS 708/45

Amends the Grant Accountability and Transparency Act. Provides that the requirements established under the Act do not apply to State shared revenues distributed by formula to units of local government from the Local Government Distributive Fund, the Personal Property Tax Replacement Fund, the Motor Fuel Tax Fund, or the Transportation Renewal Fund. Effective immediately.

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1 AN ACT concerning finance.

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

- Section 5. The Grant Accountability and Transparency Act is
  amended by changing Section 45 as follows:
- 6 (30 ILCS 708/45)
- 7 (Section scheduled to be repealed on July 16, 2020)
- 8 Sec. 45. Applicability.

9 (a) Except as otherwise provided in this Section, the The requirements established under this Act apply to State 10 11 grant-making agencies that make State and federal pass-through 12 awards to non-federal entities. These requirements apply to all 13 costs related to State and federal pass-through awards. The 14 requirements established under this Act do not apply to private awards or State shared revenues distributed by formula to units 15 of local government from the Local Government Distributive 16 17 Fund, the Personal Property Tax Replacement Fund, the Motor Fuel Tax Fund, or the Transportation Renewal Fund. 18

19 (a-5) Nothing in this Act shall prohibit the use of State20 funds for purposes of federal match or maintenance of effort.

(b) The terms and conditions of State, federal, and pass-through awards apply to subawards and subrecipients unless a particular Section of this Act or the terms and

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conditions of the State or federal award specifically indicate 1 2 otherwise. Non-federal entities shall comply with requirements 3 of this Act regardless of whether the non-federal entity is a recipient or subrecipient of a State or federal pass-through 4 5 award. Pass-through entities shall comply with the 6 requirements set forth under the rules adopted under subsection 7 (a) of Section 20 of this Act, but not to any requirements in 8 this Act directed towards State or federal awarding agencies, 9 unless the requirements of the State or federal awards indicate 10 otherwise.

11 When a non-federal entity is awarded a cost-reimbursement 12 contract, only 2 CFR 200.330 through 200.332 are incorporated by reference into the contract. However, when the Cost 13 14 Accounting Standards are applicable to the contract, they take 15 precedence over the requirements of this Act unless they are in 16 conflict with Subpart F of 2 CFR 200. In addition, costs that are made unallowable under 10 U.S.C. 2324(e) and 41 U.S.C. 17 4304(a), as described in the Federal Acquisition Regulations, 18 19 subpart 31.2 and subpart 31.603, are always unallowable. For 20 requirements other than those covered in Subpart D of 2 CFR 200.330 through 200.332, the terms of the contract and the 21 22 Federal Acquisition Regulations apply.

23 With the exception of Subpart F of 2 CFR 200, which is 24 required by the Single Audit Act, in any circumstances where 25 the provisions of federal statutes or regulations differ from 26 the provisions of this Act, the provision of the federal

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statutes or regulations govern. This includes, for agreements 1 2 with Indian tribes, the provisions of the Indian Self-Determination and Education and Assistance Act, 3 as amended, 25 U.S.C. 450-458ddd-2. 4

5 (c) State grant-making agencies may apply subparts A 6 through E of 2 CFR 200 to for-profit entities, foreign public 7 entities, or foreign organizations, except where the awarding 8 agency determines that the application of these subparts would 9 be inconsistent with the international obligations of the 10 United States or the statute or regulations of a foreign 11 government.

12 (d) 2 CFR 200.101 specifies how 2 CFR 200 is applicable to 13 different types of awards. The same applicability applies to 14 this Act.

15 (e) (Blank).

16 (f) For public institutions of higher education, the 17 provisions of this Act apply only to awards funded by State 18 appropriations and federal pass-through awards from a State 19 agency to public institutions of higher education.

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

26 (Source: P.A. 100-676, eff. 1-1-19; 100-863, eff. 8-14-18;

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1 101-81, eff. 7-12-19.)

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.