

1 unit of local government for its indirect costs. If a grant
2 is a pass-through of federal funds to a unit of local
3 government (federal funds passed through the State to the
4 unit of local government), then the State must reimburse the
5 unit of local government for its indirect costs based on the
6 indirect cost rate approved by the unit of local government's
7 federal cognizant agency. This Act does not, however, permit
8 the reimbursement for indirect costs to the extent that the
9 reimbursement is inconsistent with any conditions,
10 limitations, or prohibitions imposed under a federal law or
11 regulation. The reimbursement of administrative expenses made
12 by the State agency to the unit of local government receiving
13 the grant or loan must be made from the grant or loan funds
14 and may not be made from any other funding source. The
15 reimbursement of indirect costs may not exceed 15% of the
16 grant or loan.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law."