



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4489

Introduced 1/21/2022, by Rep. Jay Hoffman

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 awards, including capital appropriated funds, made by the Department of Transportation to units of local government for the purposes of surface transportation projects utilizing State and federal funds. Provides that the Act shall recognize that federal and federal pass-through awards from the Department of Transportation to units of local government are governed by and must comply with specified federal guidelines. Effective immediately.

LRB102 23191 RJF 32353 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 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, ~~or~~ 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 surface transportation projects
2 utilizing State and federal funds. This Act shall recognize
3 that federal and federal pass-through awards from the
4 Department of Transportation to units of local government are
5 governed by and must comply with federal guidelines under 2
6 CFR Part 200.

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

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

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

26 When a non-federal entity is awarded a cost-reimbursement

1 contract, only 2 CFR 200.330 through 200.332 are incorporated
2 by reference into the contract. However, when the Cost
3 Accounting Standards are applicable to the contract, they take
4 precedence over the requirements of this Act unless they are
5 in conflict with Subpart F of 2 CFR 200. In addition, costs
6 that are made unallowable under 10 U.S.C. 2324(e) and 41
7 U.S.C. 4304(a), as described in the Federal Acquisition
8 Regulations, subpart 31.2 and subpart 31.603, are always
9 unallowable. For requirements other than those covered in
10 Subpart D of 2 CFR 200.330 through 200.332, the terms of the
11 contract and the Federal Acquisition Regulations apply.

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

20 (c) State grant-making agencies may apply subparts A
21 through E of 2 CFR 200 to for-profit entities, foreign public
22 entities, or foreign organizations, except where the awarding
23 agency determines that the application of these subparts would
24 be inconsistent with the international obligations of the
25 United States or the statute or regulations of a foreign
26 government.

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

4 (e) (Blank).

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

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

18 (h) Notwithstanding any provision of law to the contrary,
19 grants awarded from federal funds received from the federal
20 Coronavirus State Fiscal Recovery Fund in accordance with
21 Section 9901 of the American Rescue Plan Act of 2021 are
22 subject to the provisions of this Act, but only to the extent
23 required by Section 9901 of the American Rescue Plan Act of
24 2021 and other applicable federal law or regulation.

25 (Source: P.A. 101-81, eff. 7-12-19; 102-16, eff. 6-17-21;
26 102-626, eff. 8-27-21; revised 10-27-21.)

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