

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 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.