

HB3875



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3875

Introduced 2/17/2023, by Rep. Anne Stava-Murray

SYNOPSIS AS INTRODUCED:

30 ILCS 708/45

Amends the Grant Accountability and Transparency Act. Provides that the Act does not apply to awards made by the Department of Public Health to certified local health departments for the purposes of public health, public safety, and healthcare-related projects utilizing State and federal funds. Provides that federal and federal pass-through awards from the Department of Public Health to certified local health departments are governed by and must comply with specified federal guidelines notwithstanding the requirements of the Act. Effective immediately.

LRB103 29493 DTM 55888 b

A BILL FOR

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, 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 (1) capital appropriated funds,
23 made by the Department of Transportation to units of local

1 government for the purposes of transportation projects
2 utilizing State funds, federal funds, or both State and
3 federal funds, and (2) State and federal appropriated funds,
4 awarded by the Department of Public Health to certified local
5 health departments for the purposes of public health, public
6 safety, and healthcare-related projects utilizing State and
7 federal funds. ~~Federal This Act shall recognize that federal~~
8 and federal pass-through awards from the Department of
9 Transportation to units of local government and federal and
10 federal pass-through awards from the Department of Public
11 Health to certified local health departments are governed by
12 and must comply with federal guidelines under 2 CFR Part 200
13 notwithstanding any other provision of this Act.

14 The changes made by this amendatory Act of the 102nd
15 General Assembly apply to pending actions as well as actions
16 commenced on or after the effective date of this amendatory
17 Act of the 102nd General Assembly.

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

20 (b) The terms and conditions of State, federal, and
21 pass-through awards apply to subawards and subrecipients
22 unless a particular Section of this Act or the terms and
23 conditions of the State or federal award specifically indicate
24 otherwise. Non-federal entities shall comply with requirements
25 of this Act regardless of whether the non-federal entity is a
26 recipient or subrecipient of a State or federal pass-through

1 award. Pass-through entities shall comply with the
2 requirements set forth under the rules adopted under
3 subsection (a) of Section 20 of this Act, but not to any
4 requirements in this Act directed towards State or federal
5 awarding agencies, unless the requirements of the State or
6 federal awards indicate otherwise.

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

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

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

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

11 (e) (Blank).

12 (f) For public institutions of higher education, the
13 provisions of this Act apply only to awards funded by federal
14 pass-through awards from a State agency to public institutions
15 of higher education. This Act shall recognize provisions in 2
16 CFR 200 as applicable to public institutions of higher
17 education, including Appendix III of Part 200 and the cost
18 principles under Subpart E.

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

25 (h) Notwithstanding any provision of law to the contrary,
26 grants awarded from federal funds received from the federal

1 Coronavirus State Fiscal Recovery Fund in accordance with
2 Section 9901 of the American Rescue Plan Act of 2021 are
3 subject to the provisions of this Act, but only to the extent
4 required by Section 9901 of the American Rescue Plan Act of
5 2021 and other applicable federal law or regulation.

6 (Source: P.A. 101-81, eff. 7-12-19; 102-16, eff. 6-17-21;
7 102-626, eff. 8-27-21; 102-813, eff. 5-13-22; 102-1092, eff.
8 6-10-22.)

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.