

# HB3633



## 103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3633

Introduced 2/17/2023, by Rep. Dagmara Avelar

### SYNOPSIS AS INTRODUCED:

30 ILCS 708/45

Amends the Grant Accountability and Transparency Act. Provides that the requirements of the Act do not apply to capital appropriated funds provided to units of local government by the Department of Commerce and Economic Opportunity for infrastructure projects. Effective immediately.

LRB103 26802 HLH 53166 b

A BILL FOR

1 AN ACT concerning State government.

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 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 funds, federal funds, or both State and  
3 federal funds. This Act shall recognize that federal and  
4 federal pass-through awards from the Department of  
5 Transportation to units of local government are governed by  
6 and must comply with federal guidelines under 2 CFR Part 200.  
7 The requirements of this Act do not apply to capital  
8 appropriated funds provided to units of local government by  
9 the Department of Commerce and Economic Opportunity for  
10 infrastructure projects.

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

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

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

1 requirements in this Act directed towards State or federal  
2 awarding agencies, unless the requirements of the State or  
3 federal awards indicate otherwise.

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

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

24 (c) State grant-making agencies may apply subparts A  
25 through E of 2 CFR 200 to for-profit entities, foreign public  
26 entities, or foreign organizations, except where the awarding

1 agency determines that the application of these subparts would  
2 be inconsistent with the international obligations of the  
3 United States or the statute or regulations of a foreign  
4 government.

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

8 (e) (Blank).

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

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

22 (h) Notwithstanding any provision of law to the contrary,  
23 grants awarded from federal funds received from the federal  
24 Coronavirus State Fiscal Recovery Fund in accordance with  
25 Section 9901 of the American Rescue Plan Act of 2021 are  
26 subject to the provisions of this Act, but only to the extent

1 required by Section 9901 of the American Rescue Plan Act of  
2 2021 and other applicable federal law or regulation.

3 (Source: P.A. 101-81, eff. 7-12-19; 102-16, eff. 6-17-21;  
4 102-626, eff. 8-27-21; 102-813, eff. 5-13-22; 102-1092, eff.  
5 6-10-22.)

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law.