

1 AN ACT in relation to certain grant and loan programs.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 1. Short title. This Act may be cited as the  
5 Grant and Loan Program Administrative Expense Act.

6 Section 5. Definitions. As used in this Act:

7 "Grant or loan program" means any State or federal grant  
8 or loan program administered by the Department of Public  
9 Health, the Department of Children and Family Services, the  
10 Department of Commerce and Community Affairs, the Department  
11 on Aging, or the Department of Human Services at the State  
12 level, and by units of local government on the local level.

13 "Indirect costs" means that portion of the costs to a  
14 unit of local government that are incurred for more than one  
15 purpose that is allocable to the costs of administering a  
16 grant or loan program under standard accounting principals  
17 and, when applicable, federal law or regulations.

18 Section 10. Reimbursement of administrative expenses.  
19 When a unit of local government is entitled under State or  
20 federal law or regulation to recover or retain funds to  
21 reimburse the unit of local government for its administrative  
22 expenses incurred in the administration of a grant or loan  
23 program, the administrative expenses for which reimbursement  
24 shall be made shall include the indirect costs as well as the  
25 direct costs to the unit of local government. However, this  
26 Act shall not permit the reimbursement for indirect costs to  
27 the extent that the reimbursement is inconsistent with any  
28 conditions, limitations, or prohibitions imposed under a  
29 federal law or regulation.

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