## 92\_HB1855ham001

## LRB9204072SMdvam04

- 1 AMENDMENT TO HOUSE BILL 1855
- 2 AMENDMENT NO. \_\_\_\_. Amend House Bill 1855 by replacing
- 3 everything after the enacting clause with the following:
- 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 any State agency at the State
- 9 level, and by units of local government on the local level.
- "Indirect costs" means that portion of the costs to a
- 11 unit of local government that are incurred for more than one
- 12 purpose that is allocable to the costs of administering a
- 13 grant or loan program under standard accounting principals
- and, when applicable, federal law or regulations.
- 15 Section 10. Reimbursement of administrative expenses. If
- 16 a grant is awarded by the State (100% State funds) to a
- 17 municipality with a population of more than 1,000,000 that
- 18 has an indirect costs plan and the grant terms allow the
- 19 State to pass indirect costs on to the municipality, then the
- 20 State must reimburse the municipality for its indirect costs.
- 21 If a grant is a pass-through of federal funds to a

- 1 municipality with a population of more than 1,000,000 2 (federal funds passed through the State to the municipality), 3 then the State must reimburse the municipality for its indirect costs based on the indirect cost rate approved by 4 5 the municipality's federal cognizant agency. This Act does not, however, permit the reimbursement for indirect costs to 6 7 the extent that the reimbursement is inconsistent with any conditions, limitations, or prohibitions imposed under a 8 9 federal law or regulation. The reimbursement 10 administrative expenses made by the State agency to the unit 11 of local government receiving the grant or loan must be made from the grant or loan funds and may not be made from any 12 other funding source. The reimbursement of indirect costs 13 may not exceed 15% of the grant or loan. 14
- 15 Section 99. Effective date. This Act takes effect upon 16 becoming law.".