
By Mr. Atkins, a petition (accompanied by bill, Senate, No. 1870) of Chester G. Atkins for legislation relative to the recovery of fringe benefits, indirect costs and space use charges associated with federal grants. Ways and Means (Joint).

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty.

AN ACT RELATIVE TO THE RECOVERY OF FRINGE BENEFITS, INDIRECT COSTS AND SPACE USE CHARGES ASSOCIATED WITH FEDERAL GRANTS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Section 2C of chapter 29 of the General Laws, as most re-
2 cently amended by section 2 of chapter 1230 of the acts of
3 1973, is hereby amended by inserting after the first para-
4 graph the following paragraph: —

5 Each spending agency in receipt of federal grant funds shall
6 at the commencement of each fiscal year, and no later than
7 July thirty-first, and, any agency which has not previously
8 been in receipt of a federal grant shall, upon notification of
9 grant approval, authorized the comptroller upon his receipt
10 of notice of a federal grant award to initiate such procedures,
11 as are established by the commissioner of administration, to
12 transfer from the federal grant account to the General Fund
13 such amounts as are required to fully compensate the Gen-
14 eral Fund for the costs of fringe benefits, indirect costs and
15 space use charges related to each federal grant received by
16 that spending agency. Upon approval by the commissioner
17 of administration, and subject to regulations established by
18 him, the amount of indirect costs, either in whole or in part,
19 charged to a federal grant may be utilized to comply with
20 federal requirements for inkind contributions. The costs of
21 fringe benefits must, in all cases, be recovered in cash. The
22 comptroller shall not allow expenditures for the payment of
23 salaries to be made from any federal grant account for which
24 he has not been authorized to charge the full amount of fringe

25 benefits to that account. On or before August fifteenth, and
 26 upon request throughout the year, the commissioner of ad-
 27 ministration shall submit a report to the chairmen of the
 28 house and senate committees on ways and means, detailing
 29 compliance with this provision by all agencies in receipt of
 30 federal funds. Notwithstanding any provisions of general or
 31 special law to the contrary, this paragraph shall apply to all
 32 agencies of the commonwealth, provided, however, that any
 33 institution of higher learning shall be exempt from those
 34 charges associated with indirect costs as described in the
 35 following paragraph.