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# A BILL FOR AN ACT

RELATING TO FEDERAL INDIRECT OVERHEAD REIMBURSEMENTS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The purpose of this Act is to provide greater  
2       fiscal transparency and prioritized use of indirect cost funds  
3       pursuant to section 302A-1405, Hawaii Revised Statutes. This  
4       Act makes reimbursement provisions applicable to all federal  
5       grants received by the department of education, state public  
6       charter school commission, or a charter school authorizer, as  
7       appropriate.

8       SECTION 2. Section 302A-1404, Hawaii Revised Statutes, is  
9       amended by amending subsection (a) to read as follows:

10       "(a) The department and the state public charter school  
11       commission or an authorizer, as appropriate, may retain and  
12       expend federal indirect overhead reimbursements for  
13       ~~[discretionary]~~ grants ~~[in excess of the negotiated rate]~~ for  
14       ~~[such]~~ the reimbursements as determined by ~~[the]~~ :

15       (1) The director of finance and the superintendent; or  
16       ~~[the]~~

17       (2) The director of finance and the state public charter  
18       school commission or an authorizer, as appropriate."



1       SECTION 3. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3       SECTION 4. This Act shall take effect on July 1, 2022.



**Report Title:**

Federal Indirect Overhead Reimbursements; Department of  
Education; State Public Charter School Commission

**Description:**

Broadens the purposes for which indirect costs incurred by the  
Department of Education, State Public Charter School Commission,  
or a charter authorizer from federal grants may be reimbursed.  
(CD1)

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