

House Government Operations Committee
January 27th, 2025

Bill: HB 223 – State Grant Requirements

Sponsor: Representative Jennifer Dailey-Provost

Floor Sponsor: Undeclared

UASD Position: TBD

This Bill modifies provisions related to state grants.

Discussion: Representative Dailey-Provost said that HB 223 addresses Requests for Applications (“RFAs”). She explained that currently all funds must first pass through a state agency for any non-governmental entity receiving state funding, such as nonprofits. Some state agencies occasionally charge administrative fees for these transactions. While the sponsor acknowledged that such fees are sometimes necessary, she noted that in other cases, there is a lack of transparency about why the fees are being charged. To address this, the Bill allows non-state entities receiving state funding to request a report explaining the reasons for any administrative fees charged. She emphasized that the Bill is not intended to complicate the process for state agencies but to provide transparency for those seeking clarity about the fees they are being charged.

Representative MacPherson began a series of clarifying questions including asking if the Bill’s requirements were currently mandatory. The sponsor replied that the Bill requires state agencies to provide transparency for fees if requested. Representative MacPherson then inquired about the number of grants administered to non-governmental agencies annually, to which the sponsor responded that, it depends on legislative decisions, but there are numerous grants given each year. He also asked whether the RFA process should include provisions for legislators to consider administrative burdens before issuing funds. The sponsor noted this had been considered but learned that that change would add unnecessary oversight and take up a lot of time and resources. However, if issues arise through the implementation of this Bill, a deeper look at the RFA process may be warranted. Representative MacPherson concluded by asking if the requirement might increase administrative burdens for employees issuing the reports. The sponsor believed it would not significantly impact state agency employees. Representative Cutler asked if any state agencies currently issue excessive administrative costs. The sponsor provided an example where a 5% fee was applied. There was no public comment.

Yeas: 13

Nays: 0

N/V: 0

Outcome: HB 223 passed out of the Committee with a favorable recommendation.