



U.S. Wheat & Barley
Scab Initiative

USWBSI Indirect Cost (IDC) Limitation Policy

Because Fusarium head blight is such a severe problem for the U.S. wheat and barley industries, the USWBSI focuses on the competitiveness of total project costs to maximize total funding used for research.

As part of the 2018 Farm Bill - Agriculture Improvement Act of 2018 – signed into law (Public Law 115-334) on 12/20/18, and extended through 09/30/26, a fixed Indirect Cost Limitation of 10% has been set for the USWBSI ([See Title VII, Subtitle C, Section 7303](#), page 332 of bill; page 336 of PDF). This is a limitation on the reimbursement of indirect costs and represents the maximum amount of grant dollars available to recover indirect costs.

Universities may voluntarily elect to use a percentage below the 10% limitation; however they **cannot charge a rate that would exceed the 10% limitation of Total Federal Funds Awarded**. A formula is included in the budget justification template to determine the 10% limitation amount, PIs have the option to enter a lower amount, the lower of the amounts will automatically carry forward in the template.

NOTE: Indirect Costs are not applicable to ARS Scientists and PIs currently funded under Non-Assistance Cooperative Agreements (NACAs).

SEC. 7303. SUPPORT FOR RESEARCH REGARDING DISEASES OF WHEAT, TRITICALE, AND BARLEY CAUSED BY FUSARIUM GRAMINEARUM OR BY TILLETIA INDICA.

Section 408 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7628) is amended—

(1) in subsection (e)—

(A) in paragraph (1), by striking “and” at the end;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(3) \$15,000,000 for each of fiscal years 2019 through 2023.”; and

(2) by adding at the end the following new subsection:

“(f) LIMITATION ON INDIRECT COSTS.—A recipient of a grant under this section may not use more than 10 percent of the funds provided by the grant for the indirect costs of carrying out the initiatives described in subsection (a).”.