**National Special Districts Coalition**

***Special District Grant Accessibility Act* – Talking Points**

**Requested ActioN**

**Senators:**Please cosponsor and support the *Special District Grant Accessibility Act* (Note: A bill number will be assigned to the legislation upon introduction).

**Background & Talking Points**

The bipartisan ***Special District Grant Accessibility Act*** (SDGAA) is slated to be introduced by Senators Kyrsten Sinema (I-AZ) and John Cornyn (R-TX) the week of July 8. The legislation will be referred to the Senate Homeland Security and Governmental Affairs Committee (HSGAC). Sens. Sinema and Cornyn will be working with committee leaders in an effort to schedule the bill for a “markup” session in July or early this fall.

An identical version of the SDGAA (H.R. 7525) was introduced by Representatives Pat Fallon (R-TX) and Brittany Pettersen (D-CO) in March of this year. The legislation was approved on March 7 by the House Oversight and Accountability Committee and was subsequently passed by the full House in May on an overwhelming 352-27 vote.

The SDGAA would do the following:

1. Establish a first-ever, formal definition of “special district” in federal law; and,
2. Require the White House Office of Management and Budget (OMB) to issue guidance to federal agencies requiring special districts to be recognized as local governments for the purpose of federal financial assistance determinations.
* The impetus for the SDGAA was the omission of special districts in pandemic-era legislation that provided direct federal financial assistance to local governments for coronavirus relief and response activities (i.e., *CARES Act* funding and *American Rescue Plan Act* (ARPA) Fiscal Recovery Fund dollars). Unlike other forms of local government, special districts were excluded from receiving direct federal aid despite the fact that many special districts provided essential public services throughout the COVID-19 pandemic, including ambulance/EMS, hospital, and open space services.
* Although special districts are eligible for the vast majority of federal funding programs, they are ineligible for – or face barriers to accessing – certain funding opportunities. Examples include:
	+ EPA’s Clean-Heavy Duty Trucks program. Special districts are not explicitly listed as eligible entities and it remains unclear if they qualify under the program's “municipality” umbrella;
	+ USDOT’s Transportation Alternatives/Rails-to-Trails program. Special districts (park districts) are not Metropolitan Planning Organizations and do not meet DOT’s program eligibility criteria;
	+ the Public Service Loan Forgiveness Program. Employees of certain special districts have been unable to access program benefits, which are intended for individuals who work for government agencies.
* Additionally, because the U.S. Census Bureau does not recognize special districts as geographic units of local government, special districts lack official population-based figures. Aa a result, special districts are unable to access certain formula-driven programs.
* A formal definition of “special district” would foster consistency and enhance special districts’ access to federal programs, including programs that provide resources for the construction and protection of critical infrastructure.