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HOUSE APPROVES BIPARTISAN "SPECIAL DISTRICT GRANT ACCESSIBILITY ACT" Federal Legislation Would Open Funding Opportunities for Special Districts

Yesterday, the U.S. House of Representatives overwhelmingly passed the *Special District Grant Accessibility Act (H.R. 7525)*, legislation that would codify a first-ever definition of "special district" in federal law and ensure districts are eligible for all appropriate forms of federal financial assistance. The vote follows a trip to Washington DC last week by SDAO Executive Director Frank Stratton and representatives from the National Special Districts Coalition to advocate for the bill.

The bipartisan legislation, which cleared the House on an overwhelming 352-27 vote, is authored by Representatives Pat Fallon (R-TX) and Brittany Pettersen (D-CO) and was cosponsored by a number of Members of Congress from both sides of the aisle.

"The consequence of current law is some communities served by special districts cannot access certain federal funding opportunities, which has a huge impact on the ability of special districts to provide vital services and meet community needs," Congressman Fallon said. "H.R. 7525 resets the board and ensures special districts have the resources, autonomy, and flexibility to address the unique challenges and opportunities facing their communities."

"There are 3,500 special districts in Colorado alone, which are responsible for critical services for our communities ranging from drinking water and wastewater management, to health care, transit, and natural resource conservation," said Congresswoman Pettersen. "Unfortunately, special districts have not had a specific definition under federal law, meaning Coloradans in these areas are missing out on federal funding opportunities that help other communities with reliable ambulance service, wildfire protections and firefighters, pandemic response services, and more. I'm proud to work on this bipartisan bill with Congressman Fallon to help us better adapt to the complexity of local governments and ensure Coloradans and people across the country have access to the support they need."

H.R. 7525 would require the White House Office of Management and Budget to issue guidance to federal agencies requiring special districts to be recognized as local governments for the purpose of federal financial assistance determinations. Specifically, H.R. 7525 would establish the following definition in Federal law (Title 13 of US Code):

"The term 'special district' means a political subdivision of a State, with specified boundaries and significant budgetary autonomy or control, created by or pursuant to the laws of the State, for the purpose of performing limited and specific governmental or proprietary functions that distinguish it as a

significantly separate entity from the administrative governance structure of any other form of local government unit within a State."

"We're extremely grateful to Representatives Hoyle, Chavez-DeRemer and Salinas for their cosponsorship and for their strong leadership on behalf of special districts and for marshaling this historic bill through the House," said Frank Stratton, SDAO Executive Director and vice-chair of the National Special Districts Coalition (NSDC). "We hope today's overwhelming vote in the House sets the stage for timely action in the Senate and will carry H.R. 7525 through to the President's desk, where it will be signed into law." SDAO will be reaching out to members in the near future to ask for their assistance in contacting Senator Wyden and Merkley to encourage their co-sponsorship.

Special districts are local public agencies created by community residents to deliver specialized services essential to their health, safety, economy, and well-being. Like cities and counties, special districts are public agencies; however, they provide necessary services that many cities and counties do not.

According to NSDC, there are more than 35,000 special districts in the U.S. providing a range of infrastructure and essential community programs across the country including parks, water, sanitation, fire protection, ports, cemeteries, healthcare, electricity, pest control, and libraries.

For more information, visit the National Special Districts Coalition website.

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