



SPECIAL DISTRICT GRANT ACCESSIBILITY ACT PASSES SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Federal Legislation Would Open Funding Opportunities for Special Districts Providing Essential Services to Millions of our Country's Residents

The bipartisan Special District Grant Accessibility Act (SDGAA; S. 4673/H.R. 7525) by Senators Kyrsten Sinema (I-AZ) and John Cornyn (R-TX) today passed out of the Senate Committee on Homeland Security and Governmental Affairs by a vote of 10-1. The legislation, which was overwhelmingly approved by the House of Representatives in May, now moves on to the Senate floor.

"NDSC sincerely thanks the Senate's Homeland Security and Government Affairs Committee for today's passage of the Special District Grant Accessibility Act," noted Ann Terry, Chair, National Special District Coalition and the Chief Executive Officer of the Special District Association of Colorado. "With over 26,000 districts, organizations and individuals across the Country supporting this bipartisan bill, our coalition looks forward to supporting Senators Sinema and Cornyn to ensure that this historic bill is enacted into law."

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.

If passed, this legislation would be the first time federal law has codified a formal definition for "special district," despite the fact these special units of local government date back to the 18th century. As a result, it would ensure communities served by these local agencies are eligible for all appropriate forms of federal financial assistance.

In addition to codifying this definition, the legislation 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.

One of the leading factors driving the need for the SDGAA is the fact that special districts were omitted in COVID-19-era legislation that provided direct federal financial assistance to local governments for coronavirus relief and response activities (namely CARES Act funding

and 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.

Compounding the problem, while special districts are eligible for many current federal funding opportunities, they have faced unnecessary bureaucratic barriers to accessing certain grant programs due largely to the lack of clarity absent a formal definition. The SDGAA seeks to level the playing field by ensuring that special districts and the communities they serve have access to all appropriate and relevant federal funding streams.

Currently, there are more than 35,000 special districts across the Country 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, please visit the National Special Districts Coalition website. <https://www.nationalspecialdistricts.org/support-the-special-district-grant-accessibility-act-hr-7525-s-4673#/>