

Federally Defining Special District - Background

Special District Fairness and Accessibility Act



Bill Number: H.R. 2766
Short Title: *Special District Fairness and Accessibility Act*
Sponsor: Rep. Pat Fallon, R-Texas
Bill Text: [Click here.](#)

Summary: This legislation is expected to federally define “special district” and require all federal agencies to adopt the definition to reinforce recognition of special districts as units of local government eligible for local government programs.

The Problem: Federal Law does not Define “Special District”

Federal law does not include a definition for “special district,” impacting many of America’s 38,000 special districts’ ability to access federally-funded resources intended for local governments or engage in federal projects.

- Inconsistent references to “special districts” throughout federal law creates broader confusion and additional hurdles for how districts may access federally-sourced grant and finance opportunities.
- Many special districts are often unable to secure funds through city, county, or metropolitan planning organizations – often because general governments are the focus of federal and pass-through programs.
- There is not statutory basis for special districts to be considered “geographic units of government,” which prevent federal agencies from certifying many special districts’ population figures – impacting grant and finance opportunities.
- The U.S. Census Bureau cannot definitively measure the existence of special districts across the country (like it does for school districts, towns, cities, and counties).

The Solution: the *Special District Fairness and Accessibility Act*

Congressman Pat Fallon, R-Texas, sponsors H.R. 2766, the *Special District Fairness and Accessibility Act* with Democratic co-lead Brittany Pettersen of Colorado.

The legislation has two elements:

1. Formally **defined “special district”** as:

“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 separate entity from the administrative structure from any other form of local government unit within a State.”
2. Direct the Office of Management and Budget (OMB) – the ‘clearinghouse’ for rules, regulations, and actions of federal programming – to issue guidance to all federal agencies to clarify special districts are indeed special districts. A report back would have been due to Congress within two years.

Advocate for this Landmark Legislation that will impact all special districts:



Scan the QR code to support the *Special District Fairness and Accessibility Act*

- Receive a template support letter of support to send your member(s) of Congress.
- Download talking points to use for your advocacy.
- Stay engaged and receive major updates on the bill’s progress.