

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 2766  
OFFERED BY MR. COMER OF KENTUCKY**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Special District Fair-  
3 ness and Accessibility Act of 2026”.

**4 SEC. 2. AGENCY FINANCIAL ASSISTANCE GUIDANCE ON  
5 SPECIAL DISTRICTS.**

6       (a) REQUIREMENTS FOR AGENCY ACKNOWLEDG-  
7 MENT OF SPECIAL DISTRICTS AS GRANT RECIPIENTS.—

8           (1) OMB GUIDANCE.—Not later than 180 days  
9 after the date of the enactment of this Act, the Di-  
10 rector shall issue guidance that clarifies how an  
11 agency recognizes a special district as a unit of local  
12 government for the purpose of being eligible to re-  
13 ceive Federal financial assistance.

14           (2) AGENCY REQUIREMENTS.—Not later than 1  
15 year after the date on which the guidance is issued  
16 pursuant to paragraph (1), the head of each agency  
17 shall implement the requirements of such guidance  
18 and conform any policy, principle, practice, proce-

1       dure, or guideline relating to the administration of  
2       the Federal financial assistance programs of the  
3       agency.

4           (3) REPORTING REQUIREMENT.—Not later than  
5       2 years after the date of the enactment of this Act,  
6       the Director shall submit to the Committee on Over-  
7       sight and Government Reform of the House of Rep-  
8       resentatives and the Committee on Homeland Secu-  
9       rity and Governmental Affairs of the Senate a report  
10      that evaluates agency implementation of and con-  
11      formity to the guidance issued pursuant to para-  
12      graph (1).

13      (b) DEFINITIONS.—In this section:

14           (1) AGENCY.—The term “agency” has the  
15      meaning given the term in section 552 of title 5,  
16      United States Code.

17           (2) DIRECTOR.—The term “Director” means  
18      the Director of the Office of Management and Budg-  
19      et.

20           (3) FEDERAL FINANCIAL ASSISTANCE.—The  
21      term “Federal financial assistance”—

22           (A) means assistance that a non-Federal  
23      entity receives or administers in the form of a  
24      grant, loan, loan guarantee, property, coopera-  
25      tive agreement, interest subsidy, insurance, food

1 commodity, direct appropriation, or other as-  
2 sistance; and

3 (B) does not include an amount received as  
4 reimbursement for services rendered to an indi-  
5 vidual in accordance with guidance issued by  
6 the Director.

7 (4) SPECIAL DISTRICT.—The term “special dis-  
8 trict” means a political subdivision of a State, with  
9 specified boundaries and significant budgetary au-  
10 tonomy or control, created by or pursuant to the  
11 laws of the State, for the purpose of performing lim-  
12 ited and specific governmental or proprietary func-  
13 tions that distinguish the political subdivision as a  
14 significantly separate entity from the administrative  
15 governance structure of any other form of local gov-  
16 ernment unit within a State.

17 (5) STATE.—The term “State” means each of  
18 the several States, the District of Columbia, each  
19 commonwealth, territory, or possession of the United  
20 States, and each federally recognized Indian Tribe.

