

## **Faster State Payments for Rural Special District Projects**

### **SB 214 – Sen. Stan McClain (HB 273 – Rep. Chad Johnson)**

#### **General Bill Summary**

CS/CS/SB 214 addresses how state and federal financial assistance agreements are administered for certain local governments and special districts in rural areas. The bill amends state law governing agreements funded with federal or state assistance to expand eligibility for expedited invoice payments to certain special districts.

Under current law, state agencies may include provisions in grant or funding agreements allowing counties and municipalities in rural communities or Rural Areas of Opportunity (RAOs) to receive payment for verified work completed under the agreement. The bill extends similar treatment to certain special districts. Specifically, agency agreements providing state or federal financial assistance must allow for payment of invoices for verified and eligible work completed by special districts located entirely within a county or municipality in a rural community or RAO.

The bill also revises the statutory definition of “rural community” under the Rural Economic Development Initiative (REDI) to include certain special districts located in rural counties and independent special districts that provide water and wastewater services within a Rural Area of Opportunity. This change enables those districts to participate in state financial assistance and economic development programs designed for rural communities.

During the 2026 legislative session, the Senate laid the bill on the table and substituted it for its House companion, CS/HB 273, which continued through the legislative process.

#### **Potential County Impact**

The bill may indirectly affect counties, particularly rural counties that rely on special districts to provide essential infrastructure services such as water, wastewater, and community development improvements.

By allowing certain special districts to receive expedited payments under state or federally funded agreements, the bill may improve the financial stability and cash flow of districts operating in rural communities. Many rural projects require local governments or districts to incur upfront costs before receiving reimbursement. Expedited invoice payments could reduce financial strain on districts undertaking infrastructure or economic development projects.

Counties that partner with or rely on special districts for infrastructure delivery may benefit from faster project implementation and reduced financial barriers for district participation in state programs. Expanding the definition of “rural community” to include qualifying special districts also allows those entities to access programs administered through the Rural Economic Development Initiative, potentially increasing the number of eligible projects in rural counties.

The Senate staff analysis indicates the bill does not create a county mandate. However, expanding eligibility for expedited payments and program participation may create administrative adjustments for state agencies managing funding programs and could affect how rural projects are prioritized or funded. Fiscal impacts are described as indeterminate.

**Effective Date**

**July 1, 2026.**

**Primary Statutory References**

- s. 215.971, F.S.
- s. 288.0656, F.S.