

## HR 7073 Background

CSDA is asking special districts to take action and send letters of support to their federal representatives for H.R. 7073 the “Special Districts Provide Essential Services Act”.

This bill is a direct result of special districts’ COVID-19 advocacy. Congressman John Garamendi began collaborating with CSDA on the “Special Districts Provide Services Act” in late April after his constituent special districts reached out with great concerns regarding financial hardships. Now, all special districts are asked to build on this support.

Share with your federal representatives why this bill is important and urge them to support it. A sample template letter (link to letter on Take Action page) for you to send your U.S. House representative, U.S. Senator Dianne Feinstein and U.S. Senator Kamala Harris. Please send via USPS mail. Please also send a digital copy of your letter(s) to [advocacy@csda.net](mailto:advocacy@csda.net). Let me know if you need any assistance with sending your letter.

What the bill does:

- Provides special districts access to the Coronavirus Relief Fund: States would be required to direct 5 percent of future appropriations made under Section 601 of the Social Security Act (established in CARES as the Coronavirus Relief Fund). The state would have 60 days from the time the U.S. Treasury releases the fund to transfer the funds to special districts. The state would grant the funds at its discretion.
  - This 5 percent is not intended to subtract from cities and county’s portion of the funding, but rather 5 percent from the state’s allocation under Section 601.
- Special districts would be determined “eligible issuers” for the Federal Reserve’s Municipal Liquidity Facilities Program.
- “Special District” would be defined. There currently is no federal statute defining the term.
  - The term ‘special district’ means a *political subdivision, formed pursuant to general law or special act of a State, for the purpose of performing one or more governmental or proprietary functions.*”

Please continue this momentum. Signaling this support now will be critical to the bill’s next steps and the intended goal of its inclusion in the next COVID-19 state and local government relief bill.

For all CSDA COVID-19 state and federal advocacy initiatives, [visit the CSDA COVID-19 action page](#).

Thank you,