



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



EXHIBIT G-5
22 Pages

MANAGEMENT REPORT

DATE: February 23, 2021

TO: District Board Members

FROM: Mike Geary, General Manager

SUBJECT: Management Report – Information Only

BACKGROUND: The discussion section below provides information from the District's management on current projects and activities that are not the subject of a separate report. This report is prepared to provide new information and recent progress only.

DISCUSSION: The General Manager participated in the following meetings in the last month:

- Direct Reports – weekly with Fire Chief, Finance & Administration Manager, District Engineer, Operations Manager, and Board Secretary
- Finance Committee
- Monthly T-TSA Managers
- Monthly Planning – staff
- Placer CEO / Area Managers Meeting
- Families First Coronavirus Relief Act Extension – staff
- E-Newsletter Program – staff
- Village at Squaw Valley Specific Plan Development Agreement Term Sheets and 30% Utility Plan Set Review – six meetings with staff
- Financial Reporting – staff
- Mutual Water Company – staff
- Fire Department Personnel – four meetings with staff
- Placer County Water Agency Financial Assistance Program - staff
- Village at Squaw Valley Specific Plan Development Agreement and 30% Utility Plan Set – project representative

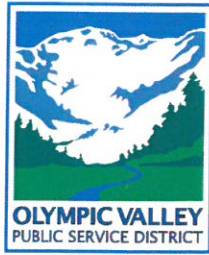
Legislative Support for the Special Districts Provide Essential Services Act of 2021 (S.91/H.R.535).

The District sent letters to Senator Feinstein, Senator Padilla, and Representative McClintock (copies to Governor Newsom) in support of the Special Districts Provide Essential Services Act of 2021 (S.91/H.R.535). The District also signed a letter from the National Special Districts

Coalition in support of the same legislation. The bill would allocate critically needed financial relief to special districts that have experienced unforeseen expenditures, decreases in revenue, or both, as a result of the COVID-19 health crisis.

ATTACHMENTS: S. 91/H.R. 535 Draft Bill and Support Letters

DATE PREPARED: February 16, 2021.



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



February 1, 2021

The Honorable Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, D.C. 20510

RE: Support H.R. 535 and S. 91, the Special Districts Provide Essential Services Act

Dear Senator Feinstein,

The Olympic Valley Public Service District respectfully requests your support of H.R. 535 and S. 91, the Special Districts Provide Essential Services Act, and its inclusion in any potential pandemic relief package. These bills would ensure that your constituents receiving essential services, like fire protection, emergency medical services, water, wastewater, childcare, healthcare, resource and agricultural conservation, and more from a special district, rather than a city or county, are not excluded from future COVID-19 relief approved for state and local governments.

As a provider of drinking water, wastewater conveyance, solid waste removal, bike trail snow removal, fire protection and emergency medical services to approximately 1,000 full-time residents and several large commercial entities like Squaw Valley / Alpine Meadows Mountain Resort in North Lake Tahoe, access to federal relief resources would help our district confront COVID-19 and overcome the pandemic's fiscal impacts which include the following:

- Our staff have been impacted by the pandemic and we have provided significant time off for staff through the Families First Coronavirus Response Act to staff should they contract COVID-19, be required to quarantine due to COVID-19, or be required to care for a qualifying dependent due to COVID-19 related illness or school/daycare closure. The Board of Directors also extended this benefit until June 30, 2021 despite the Federal sunset December 31, 2020 because the benefit allows the District to more conservatively protect employees and encourages employees to be honest and proactive in communicating about their health and any potential exposure.
- The District has had to change our operating procedures due to the building be closed to the public and to encourage teleworking. For example, the District purchased programs to allow staff to answer phones remotely and to replace our counter services. This has been both costly and time-consuming to initiate.
- The District implemented procedures and created physical spaces to separate our Operations Department into two crews, and to further separate and sanitize between Fire Department crews.
- The District has invested in personal protective equipment (PPE) and disinfection supplies to protect our staff.
- We have also had to cancel or modify many of our public facing services such as classes (CPR, First Aid, etc.), car seat installations, and notary services, some of which generate revenue for the District.

- Conferences and trainings have been cancelled which has not only limited staff training but also affected staff's ability to easily talk with vendors. This has had a trickle-down effect of deferring capital replacement projects and software upgrades.
- Fire Department staff have continued to complete required Fire and Life Safety inspections, but modifications and PPE have been required to perform these safely.
- Additionally, the Fire Department is supplying Paramedics and gear to the Regional (Placer and Nevada Counties) Vaccination Clinics.
- Payment plans and late fee deferrals have been provided to customers as needed.

Our employees are on the front-lines, yet our local government agency has yet to receive the direct access to funding that other government agencies, as well as businesses and non-profits, have received.

Our district is just one of 2,000 across the state that, altogether, anticipate a **\$1.26 billion impact** due to COVID-19 through the end of Fiscal Year 2021. Furthermore, 46 percent are unlikely to maintain current staffing of essential workers or are uncertain that they can, and 54 percent are unlikely to maintain or are uncertain about the level of essential services they can provide through this fiscal year.

These bills are identical to the bipartisan S. 4308 from the 116th Congress. H.R. 535 and S. 91 would allow the vital services that communities rely upon to continue unhindered, while also providing greater certainty for these governments to retain their essential workers. Specifically, the legislation would establish a federal definition of "special district", allow special districts' access to future Coronavirus Relief Fund allocations, and designate special districts as "eligible issuers" of the Federal Reserve Board's Municipal Liquidity Facility.

Without ready access to pandemic relief available to other units of local government, the risk of special districts' inability to continue providing uninterrupted, vital services to their communities will continue to grow. We look forward to working with you to ensure all essential workers and the vulnerable communities they serve receive equitable access to these important relief funds.

Thank you for your consideration of our request.

Sincerely,



Mike Geary, PE
General Manager
Olympic Valley Public Service District

cc: Governor Gavin Newsom (leg.unit@gov.ca.gov)
Cole Karr, Federal Advocacy Coordinator, California Special Districts Association (CSDA) (advocacy@csda.net)
Dane Wadlé, CSDA Senior Public Affairs Field Coordinator – Sierra Network (danew@csda.net)



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



February 1, 2021

The Honorable Tom McClintock
United States House of Representatives
2312 Rayburn House Office Building
Washington, D.C. 20515

RE: Support H.R. 535 and S. 91, the Special Districts Provide Essential Services Act

Dear Representative McClintock,

The Olympic Valley Public Service District respectfully requests your support of H.R. 535 and S. 91, the Special Districts Provide Essential Services Act, and its inclusion in any potential pandemic relief package. These bills would ensure that your constituents receiving essential services, like fire protection, emergency medical services, water, wastewater, childcare, healthcare, resource and agricultural conservation, and more from a special district, rather than a city or county, are not excluded from future COVID-19 relief approved for state and local governments.

As a provider of drinking water, wastewater conveyance, solid waste removal, bike trail snow removal, fire protection and emergency medical services to approximately 1,000 full-time residents and several large commercial entities like Squaw Valley / Alpine Meadows Mountain Resort in North Lake Tahoe, access to federal relief resources would help our district confront COVID-19 and overcome the pandemic's fiscal impacts which include the following:

- Our staff have been impacted by the pandemic and we have provided significant time off for staff through the Families First Coronavirus Response Act to staff should they contract COVID-19, be required to quarantine due to COVID-19, or be required to care for a qualifying dependent due to COVID-19 related illness or school/daycare closure. The Board of Directors also extended this benefit until June 30, 2021 despite the Federal sunset December 31, 2020 because the benefit allows the District to more conservatively protect employees and encourages employees to be honest and proactive in communicating about their health and any potential exposure.
- The District has had to change our operating procedures due to the building be closed to the public and to encourage teleworking. For example, the District purchased programs to allow staff to answer phones remotely and to replace our counter services. This has been both costly and time-consuming to initiate.
- The District implemented procedures and created physical spaces to separate our Operations Department into two crews, and to further separate and sanitize between Fire Department crews.
- The District has invested in personal protective equipment (PPE) and disinfection supplies to protect our staff.
- We have also had to cancel or modify many of our public facing services such as classes (CPR, First Aid, etc.), car seat installations, and notary services, some of which generate revenue for the District.

- Conferences and trainings have been cancelled which has not only limited staff training but also affected staff's ability to easily talk with vendors. This has had a trickle-down effect of deferring capital replacement projects and software upgrades.
- Fire Department staff have continued to complete required Fire and Life Safety inspections, but modifications and PPE have been required to perform these safely.
- Additionally, the Fire Department is supplying Paramedics and gear to the Regional (Placer and Nevada Counties) Vaccination Clinics.
- Payment plans and late fee deferrals have been provided to customers as needed.

Our employees are on the front-lines, yet our local government agency has yet to receive the direct access to funding that other government agencies, as well as businesses and non-profits, have received.

Our district is just one of 2,000 across the state that, altogether, anticipate a **\$1.26 billion impact** due to COVID-19 through the end of Fiscal Year 2021. Furthermore, 46 percent are unlikely to maintain current staffing of essential workers or are uncertain that they can, and 54 percent are unlikely to maintain or are uncertain about the level of essential services they can provide through this fiscal year.

These bills are identical to the bipartisan S. 4308 from the 116th Congress. H.R. 535 and S. 91 would allow the vital services that communities rely upon to continue unhindered, while also providing greater certainty for these governments to retain their essential workers. Specifically, the legislation would establish a federal definition of "special district", allow special districts' access to future Coronavirus Relief Fund allocations, and designate special districts as "eligible issuers" of the Federal Reserve Board's Municipal Liquidity Facility.

Without ready access to pandemic relief available to other units of local government, the risk of special districts' inability to continue providing uninterrupted, vital services to their communities will continue to grow. We look forward to working with you to ensure all essential workers and the vulnerable communities they serve receive equitable access to these important relief funds.

Thank you for your consideration of our request.

Sincerely,



Mike Geary, PE
General Manager
Olympic Valley Public Service District

cc: Governor Gavin Newsom (leg.unit@gov.ca.gov)
Cole Karr, Federal Advocacy Coordinator, California Special Districts Association (CSDA) (advocacy@cdda.net)
Dane Wadlé, CSDA Senior Public Affairs Field Coordinator – Sierra Network (danew@cdda.net)



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



February 1, 2021

The Honorable Alex Padilla
United States Senate
B03 Russell Senate Office Building
Washington, D.C. 20510

RE: Support H.R. 535 and S. 91, the Special Districts Provide Essential Services Act

Dear Senator Padilla,

The Olympic Valley Public Service District respectfully requests your support of H.R. 535 and S. 91, the Special Districts Provide Essential Services Act, and its inclusion in any potential pandemic relief package. These bills would ensure that your constituents receiving essential services, like fire protection, emergency medical services, water, wastewater, childcare, healthcare, resource and agricultural conservation, and more from a special district, rather than a city or county, are not excluded from future COVID-19 relief approved for state and local governments.

As a provider of drinking water, wastewater conveyance, solid waste removal, bike trail snow removal, fire protection and emergency medical services to approximately 1,000 full-time residents and several large commercial entities like Squaw Valley / Alpine Meadows Mountain Resort in North Lake Tahoe, access to federal relief resources would help our district confront COVID-19 and overcome the pandemic's fiscal impacts which include the following:

- Our staff have been impacted by the pandemic and we have provided significant time off for staff through the Families First Coronavirus Response Act to staff should they contract COVID-19, be required to quarantine due to COVID-19, or be required to care for a qualifying dependent due to COVID-19 related illness or school/daycare closure. The Board of Directors also extended this benefit until June 30, 2021 despite the Federal sunset December 31, 2020 because the benefit allows the District to more conservatively protect employees and encourages employees to be honest and proactive in communicating about their health and any potential exposure.
- The District has had to change our operating procedures due to the building be closed to the public and to encourage teleworking. For example, the District purchased programs to allow staff to answer phones remotely and to replace our counter services. This has been both costly and time-consuming to initiate.
- The District implemented procedures and created physical spaces to separate our Operations Department into two crews, and to further separate and sanitize between Fire Department crews.
- The District has invested in personal protective equipment (PPE) and disinfection supplies to protect our staff.
- We have also had to cancel or modify many of our public facing services such as classes (CPR, First Aid, etc.), car seat installations, and notary services, some of which generate revenue for the District.

- Conferences and trainings have been cancelled which has not only limited staff training but also affected staff's ability to easily talk with vendors. This has had a trickle-down effect of deferring capital replacement projects and software upgrades.
- Fire Department staff have continued to complete required Fire and Life Safety inspections, but modifications and PPE have been required to perform these safely.
- Additionally, the Fire Department is supplying Paramedics and gear to the Regional (Placer and Nevada Counties) Vaccination Clinics.
- Payment plans and late fee deferrals have been provided to customers as needed.

Our employees are on the front-lines, yet our local government agency has yet to receive the direct access to funding that other government agencies, as well as businesses and non-profits, have received.

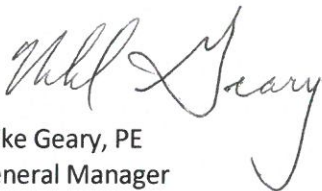
Our district is just one of 2,000 across the state that, altogether, anticipate a **\$1.26 billion impact** due to COVID-19 through the end of Fiscal Year 2021. Furthermore, 46 percent are unlikely to maintain current staffing of essential workers or are uncertain that they can, and 54 percent are unlikely to maintain or are uncertain about the level of essential services they can provide through this fiscal year.

These bills are identical to the bipartisan S. 4308 from the 116th Congress. H.R. 535 and S. 91 would allow the vital services that communities rely upon to continue unhindered, while also providing greater certainty for these governments to retain their essential workers. Specifically, the legislation would establish a federal definition of "special district", allow special districts' access to future Coronavirus Relief Fund allocations, and designate special districts as "eligible issuers" of the Federal Reserve Board's Municipal Liquidity Facility.

Without ready access to pandemic relief available to other units of local government, the risk of special districts' inability to continue providing uninterrupted, vital services to their communities will continue to grow. We look forward to working with you to ensure all essential workers and the vulnerable communities they serve receive equitable access to these important relief funds.

Thank you for your consideration of our request.

Sincerely,



Mike Geary, PE
General Manager
Olympic Valley Public Service District

cc: Governor Gavin Newsom (leg.unit@gov.ca.gov)
Cole Karr, Federal Advocacy Coordinator, California Special Districts Association (CSDA) (advocacy@csda.net)
Dane Wadlé, CSDA Senior Public Affairs Field Coordinator – Sierra Network (danew@csda.net)



February 3, 2021

The Honorable Nancy Pelosi
Speaker of the House
United States Capitol Building
Washington, D.C. 20515

The Honorable Charles Schumer
Senate Majority Leader
United States Capitol Building
Washington, D.C. 20515

The Honorable Kevin McCarthy
House Minority Leader
United States Capitol Building
Washington, D.C. 20515

The Honorable Mitch McConnell
Senate Minority Leader
United States Capitol Building
Washington, D.C. 20515

RE: Support for the Special Districts Provide Essential Services Act

Dear Speaker Pelosi, Leader McCarthy, Leader Schumer, and Leader McConnell:

The National Special Districts Coalition along with 131 organizations representing more than 30,000 special districts serving millions of Americans with critical infrastructure, emergency response, and community services support H.R. 535 and S. 91, the Special Districts Provide Essential Services Act. These bills would provide the nation's 30,000 special districts, that were left out of direct access to previous COVID-19 federal relief, more fiscal certainty necessary to employ their essential workers and serve our communities. We ask you to support this legislation as well and advocate for its inclusion in any potential state and local government pandemic assistance package.

Millions of Americans rely on one or more special districts for essential services such as fire protection and emergency response, water, wastewater treatment, electricity, solid waste management, healthcare, transportation, resource and agricultural conservation, childcare, parks, libraries, cemeteries, air quality, and more. Special districts employ hundreds of thousands of front-line workers, both paid and volunteer. They are each governed by a public board that is typically elected by the community they serve. Like cities and counties, special districts are "subdivisions of the state;" however, they specialize in providing specific services that other governments are not providing to their community. When special districts are excluded from relief, their essential workers and their residents are excluded from relief.

The Special Districts Provide Essential Services Act would allocate critically needed financial relief to special districts that have experienced unforeseen expenditures, decreases in revenue, or both, as a result of the COVID-19 health crisis. **Nationally, the pandemic's toll on special districts totals an estimated \$30.5 billion through Fiscal Year 2021. More than half of special districts are either unlikely to maintain current staffing levels of essential workers or are uncertain that they can through the end of FY21.**

While some special districts have achieved access to the Coronavirus Relief Fund through limited state and county allotment of funds, the vast majority have yet to receive aid to offset their COVID-19-related expenditures, which were unforeseen during the previous budget process. This is due in large part to the omission of special districts from the "unit of local government" definition within the CARES Act and the lack of explicit Treasury guidance on special districts' eligibility for funding. As a result, some of our nation's most vulnerable and disadvantaged communities served by special districts have received little to no federal support for the ongoing provision of their essential local services.

These bills are identical to the bipartisan S. 4308 from the 116th Congress. Specifically, H.R. 535 and S. 91 would do the following:

- **Allow special districts direct access to the Coronavirus Relief Fund.** The bill requires states to distribute five percent of future Coronavirus Relief Fund allocations that they receive to special districts within their respective state within 60 days of receiving funds from the U.S. Treasury. Designating special districts as eligible for the Fund would greatly assist in their attempts to both recoup dramatic revenue

losses and backfill the increase in expenditures many have experienced due to a variety of pandemic-related expenses. Neither H.R. 535 and S. 91 call for additional appropriations.

- **Require special districts to demonstrate the financial impact of COVID-19** when applying for funding. Special districts would submit information to their state demonstrating the degree to which they have experienced or anticipate they will experience COVID-19-related revenue loss, grant/inter-governmental revenue loss, or increased COVID-19-related expenditures.
- **Create limits to allocations** such that a special district may not receive funding that exceeds the amount the district expended in any quarter of 2019. However, special districts providing services that the federal Cybersecurity and Infrastructure Security Agency deems to be within a “critical infrastructure sector” would be exempt from limitations.
- **Provide flexibility for states with excess funds reserved for special districts** that make a good faith effort to distribute funds to districts within the state. The bill requires states to file a waiver with U.S. Treasury after 60 days demonstrating how the state distributed its special districts funding. If approved, the state may use the balance of the funds for other COVID-19 response purposes.
- **Define “special district”** as a “political subdivision of a State, formed pursuant to general law or special act of the State, for the purpose of performing one or more governmental or proprietary functions.” With the variety of services that special districts throughout the country deliver, it is important to have a clear understanding of what is – and what is not – a special district. The definition in the bill was developed through a collaborative and consensus-driven process by special district associations across the nation.
- **Specifically permit special districts to be considered “eligible issuers” of the Federal Reserve Board’s Municipal Liquidity Facility (MLF).** The bill would direct the U.S. Department of Treasury to consider special districts as eligible issuers to take advantage of the Municipal Liquidity Facility, as established in the CARES Act, for access to capital during the current financial downturn. States, territories, tribes, cities with a population greater 250,000 and counties with a population greater than 500,000 have access to the Fed’s tool. Despite special districts’ statutory authority to issue tax and revenue anticipation notes, they are currently not considered “eligible issuers” under the CARES Act. This bill expands the Fed’s authorization to purchase these notes to include all special districts as “eligible issuers” for MLF.

The Special Districts Provide Essential Services Act is vital for the continued operations of services for millions of Americans. We look forward to working with you on this critical legislation and in supporting its inclusion in the upcoming COVID-19 relief bill. Thank you for your consideration.

Sincerely,

National Special Districts Coalition

California Special Districts Association
Special Districts Association of Colorado
Florida Association of Special Districts
Special Districts Association of Oregon
Utah Association of Special Districts

National and State Special Districts Stakeholder Associations

Agribusiness and Water Council of Arizona
American Library Association
Arizona County Treasurer's Association
Arizona Fire Chiefs Association
Arizona Fire Districts Association
Association of California Healthcare Districts

Association of California Water Agencies
Association of Fire Districts of the State of New York
Association of Metropolitan Water Agencies
Association of Washington Public Hospital Districts
California Association of Recreation and Park Districts
California Association of Resource Conservation Districts
California Fire Chiefs Association
California Municipal Utilities Association
California Rural Water Association
Colorado Parks & Recreation Association
Colorado State Fire Chiefs
Colorado Water Congress
Family Farm Alliance
Fire Districts Association of California
Florida Rural Water Association
Illinois Association of Fire Protection Districts
Illinois Association of Park Districts
Illinois Library Association
Illinois Rural Water Association
International Association of Fire Chiefs
Irrigation & Electrical Districts Association
Kansas State Association of Fire Chiefs
Louisiana Fire Chiefs Association
Maine Rural Water Association
Michigan Association of Fire Chiefs
Missouri Association of Career Fire Protection Districts
Missouri Association of Fire Chiefs
Montana Fire Chiefs Association
Montana Fire Trustees Association
Mosquito and Vector Control Association of California
Mountain Counties Water Resources Association (California)
National Association of Emergency and Fire Officials
National Recreation and Park Association
National Rural Water Association
National Volunteer Fire Council
National Water Resources Association
New Jersey State Association of Fire Districts
Northern California Water Association
Ohio Parks and Recreation Association
Oregon Fire Chiefs Association
Oregon Fire District Directors' Association
Oregon Library Association
Oregon People's Utility Districts Association
Oregon Public Ports Association
Oregon Recreation & Parks Association
Oregon Water Resources Congress
Pennsylvania Municipal Authorities Association
Rural Water Association of Utah
South Carolina Association of Special Purpose Districts
Tennessee Association of Utility Districts
Texas Fire Chiefs Association
Texas Rural Water Association
Texas State Association of Fire and Emergency Districts
Washington Association of Sewer & Water Districts
Washington Fire Chiefs
Washington Fire Commissioners Association
Washington Public Utility Districts Association

Western Fire Chiefs Association
Wyoming Association of Special Districts

Individual Special Districts

Alameda County Mosquito Abatement District (California)
Antelope Valley Cemetery District (California)
Atascocita Fire Department (Texas)
Baker County Library District (Oregon)
Biola Community Services District (California)
Brooktrails Township Community Services District (California)
Carmichael Recreation and Park District (California)
Coachella Valley Water District (California)
Coalinga-Huron Recreation and Park District (California)
Coastside County Water District (California)
Conejo Recreation and Park District (California)
Contra Costa Mosquito and Vector Control District (California)
Costa Mesa Sanitary District (California)
Cosumnes Community Services District (California)
Crooked River Ranch Rural Fire Protection District (Oregon)
Cucamonga Valley Water District (California)
Curry County Soil and Water Conservation District (Oregon)
Delta Diablo (California)
Eastern Sierra Community Service District (California)
Eden Health District (California)
Emergency Services District No. 3 (Texas)
Fort Bend Emergency Services District #1 (Texas)
Frazier Park Public Utility District (California)
Fresno Metropolitan Flood Control District (California)
Fulton-El Camino Recreation and Park District (California)
Gaston Rural Fire District (Oregon)
Goleta Sanitary District (California)
Great Parks of Hamilton County (Ohio)
Greater St. Helens Aquatic District (Oregon)
Grizzly Flats Community Services District (California)
Home Garden Community Services District (California)
Indian Wells Valley Water District (California)
Jefferson County Soil & Water Conservation District (Oregon)
Kettleman City Community Services District (California)
Los Osos Community Services District (California)
Lower Umpqua Library District (Oregon)
Mark Twain Health Care District (California)
Mesa Water District (California)
Midpeninsula Regional Open Space District (California)
North County Fire Protection District (California)
North Highlands Recreation and Park District (California)
Olympic Valley Public Service District (California)
Orangevale Recreation & Park District (California)
Placer County Air Pollution Control District (California)
Pleasant Hill Recreation and Park District (California)
Port of Hueneme – Oxnard Harbor District (California)
Port of Toledo (Oregon)
Sacramento-Yolo Mosquito and Vector Control District (California)
San Joan Water District (California)
Santa Clara Fire District (Oregon)
Santa Ynez River Water Conservation District (California)

Silverton Rural Fire Protection District No. 2 (Oregon)
South Coast Air Quality Management District (California)
Southern Cascades Community Services District (California)
Stallion Springs Community Services District (California)
Tualatin Hills Park & Recreation District (Oregon)
Turlock Irrigation District (California)
Willamalane Park and Recreation District (Oregon)

Non-Profit and Private Sector

Self-Help Enterprises
Streamline
TOGETHER Bay Area

cc: Representative John Garamendi
Senator Kyrsten Sinema

Representative Maxine Waters, Chair, House Committee on Financial Services
Representative Patrick McHenry, Ranking Member, House Committee on Financial Services
Representative Carolyn Maloney, Chair, House Committee on Oversight & Reform
Representative James Comer, Ranking Member, House Committee on Oversight & Reform
Senator Ron Wyden, Chair, Senate Committee on Finance
Senator Mike Crapo, Ranking Member, Senate Committee on Finance


(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R. _____

To amend the Social Security Act to include special districts in the coronavirus relief fund, to direct the Secretary to include special districts as an eligible issuer under the Municipal Liquidity Facility, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. GARAMENDI introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend the Social Security Act to include special districts in the coronavirus relief fund, to direct the Secretary to include special districts as an eligible issuer under the Municipal Liquidity Facility, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Special Districts Pro-
5 vide Essential Services Act”.

1 **SEC. 2. INCLUSION OF SPECIAL DISTRICTS IN THE**
2 **CORONAVIRUS RELIEF FUND.**

3 (a) IN GENERAL.—Section 601(a) of the Social Secu-
4 rity Act (42 U.S.C. 801(a)) is amended by adding at the
5 end the following new paragraph:

6 “(3) FUNDS FOR SPECIAL DISTRICTS.—If an
7 amount in excess of \$150,000,000,000 is appro-
8 priated for payments made under this section, spe-
9 cial districts shall be eligible for payments from the
10 portion of such excess amount paid to States in ac-
11 cordance with subsection (c)(6).”.

12 (b) AMOUNT FOR SPECIAL DISTRICTS.—Section
13 601(c) of the Social Security Act (42 U.S.C. 801(c)) is
14 amended—

15 (1) by redesignating paragraphs (6) through
16 (8) as paragraphs (8) through (10), respectively;
17 and

18 (2) by inserting after paragraph (5) the fol-
19 lowing new paragraphs:

20 “(6) SPECIAL DISTRICTS.—

21 “(A) IN GENERAL.—If a portion of any ex-
22 cess amount described in subsection (a)(3) is
23 paid to a State, the State shall allocate at least
24 5 percent of such portion for distributing pay-
25 ments to special districts in the State that sub-
26 mit to the Governor of the State or the entity

1 designated by the Governor to distribute such
2 payments (referred to in this paragraph as the
3 ‘designated payment entity’) a request for a
4 payment during the COVID–19 emergency and
5 information described in subparagraph (B)
6 demonstrating the need for the payment, which
7 the Governor of the State or the designated
8 payment entity has determined, on the basis of
9 a good faith effort, is accurate.

10 “(B) INFORMATION DESCRIBED.—Infor-
11 mation described in this subparagraph is writ-
12 ten documentation demonstrating with respect
13 to a comparable period before the COVID–19
14 emergency that the special district has experi-
15 enced or is likely to experience during the
16 COVID–19 emergency—

17 “(i) reduced revenue or operational
18 funding derived from provided services,
19 taxes, fees, or other sources of revenue;

20 “(ii) reduced indirect funding from
21 the Federal Government, the State, or a
22 unit of general government below the State
23 level; or

1 “(iii) as a result of the COVID–19
2 emergency, increased expenditures nec-
3 essary to continue operations.

4 “(C) AMOUNT OF PAYMENT.—

5 “(i) IN GENERAL.—Subject to clauses
6 (ii) and (iii), the amount of the payment
7 for a special district shall be determined by
8 the Governor or the State or the des-
9 ignated payment entity, taking into consid-
10 eration the extent of a projected budget
11 shortfall for the special district during the
12 COVID–19 emergency and the need of the
13 special district to supplement projected
14 revenue.

15 “(ii) LIMITATION.—Except as pro-
16 vided in clause (iii), the amount paid to a
17 special district shall not exceed the amount
18 of expenditures made by the special district
19 for any quarter of calendar year 2019.

20 “(iii) EXCEPTION FOR PROVIDERS OF
21 ESSENTIAL CRITICAL INFRASTRUCTURE
22 SECTOR SERVICES.—If a special district
23 provides essential critical infrastructure
24 sector services (as defined by the Cyberse-
25 curity and Infrastructure Security Agency

1 of the Department of Homeland Security),
2 the amount paid to the special district may
3 exceed the limit applicable under clause
4 (ii).

5 “(iv) RULE OF CONSTRUCTION.—
6 Nothing in the preceding clauses of this
7 subparagraph shall be construed as requir-
8 ing payment of an amount sufficient to
9 provide a special district with full oper-
10 ational funding during the COVID-19
11 emergency.

12 “(D) RESPONSIBLE AUTHORITY FOR
13 RECOUPMENT.—If it is determined that a pay-
14 ment made to a special district did not comply
15 with the requirements of the preceding subpara-
16 graphs, or was otherwise fraudulent or im-
17 proper, the special district shall be liable for the
18 debt owed to the Federal Government under
19 subsection (f), unless all or a part of the basis
20 for such determination is that the determina-
21 tion required under subparagraph (A) regarding
22 the accuracy of the information demonstrating
23 the need for the payment was not made in good
24 faith, in which case the State shall be liable for

1 all or a part of such debt, as the Secretary de-
2 termines appropriate.

3 “(E) DEADLINE FOR DISTRIBUTION OF
4 FUNDS.—Payments to special districts in a
5 State shall be distributed not later than 60
6 days after the State receives a payment from
7 any excess amount described in subsection
8 (a)(3).

9 “(F) COVID–19 EMERGENCY.—For pur-
10 poses of this paragraph, the term ‘COVID–19
11 emergency’ means the public health emergency
12 declared by the Secretary of Health and
13 Human Services pursuant to section 319 of the
14 Public Health Service Act on January 31,
15 2020, entitled ‘Determination that a Public
16 Health Emergency Exists Nationwide as the
17 Result of the 2019 Novel Coronavirus’ and in-
18 cludes any renewal of such declaration pursuant
19 to such section 319.

20 “(7) EXCESS FUNDS WAIVER.—

21 “(A) IN GENERAL.—If a State has allo-
22 cated funds from a payment to the State de-
23 scribed in paragraph (6) to special districts in
24 that State, but has not met the 5 percent allo-
25 cation requirement of that paragraph, the Gov-

1 error of the State may submit to the Secretary,
2 in writing, a request for an excess funds waiver
3 to exempt the State from having to make addi-
4 tional allocations from such funds to make up
5 the remainder of such 5 percent requirement,
6 and to allow the State to use the funds remain-
7 ing in accordance with this section.

8 “(B) REQUIREMENTS.—A waiver request
9 submitted under subparagraph (A) shall pro-
10 vide—

11 “(i) information regarding how funds
12 from the payment to the State described in
13 paragraph (6) were allocated to special dis-
14 tricts in the State and otherwise used; and

15 “(ii) an explanation why the require-
16 ment for the State to meet the 5 percent
17 allocation requirement of paragraph (6)
18 should be waived.

19 “(C) DEADLINES.—

20 “(i) WAIVER REQUEST.—A request
21 for an excess funds waiver shall be sub-
22 mitted to the Secretary not later than 60
23 days after the State receives a payment de-
24 scribed in paragraph (6).

1 “(ii) APPROVAL OR DISAPPROVAL.—
2 The Secretary shall approve or disapprove
3 a waiver request submitted under subpara-
4 graph (A), in writing, not later than 14
5 days after the Secretary receives the re-
6 quest.”.

7 (c) DEFINITION OF SPECIAL DISTRICT.—Section
8 601(g) of the Social Security Act (42 U.S.C. 801(g)) is
9 amended—

10 (1) by redesignating paragraphs (4) through
11 (5) as paragraphs (5) through (6), respectively; and
12 (2) by inserting after paragraph (3) the fol-
13 lowing new paragraph:

14 “(4) SPECIAL DISTRICT.—The term ‘special dis-
15 trict’ means a political subdivision of a State,
16 formed pursuant to general law or special act of the
17 State, for the purpose of performing one or more
18 governmental or proprietary functions.”.

19 (d) TREASURY IG OVERSIGHT AUTHORITY.—Section
20 601(f)(2) of such Act (42 U.S.C. 801(f)(2)) is amended—

21 (1) by inserting “or that a special district or
22 State has not complied with the requirements of
23 paragraph (6) or (7) of subsection (c) (as applica-
24 ble),” after “subsection (d),”; and

1 (2) by striking “such subsection” and inserting
2 “subsection (d) or paragraph (6) or (7) of sub-
3 section (c) (as applicable)”.

4 (e) UPDATE TO GUIDANCE.—The Secretary of the
5 Treasury shall update any guidance issued with respect
6 to the Coronavirus Relief Fund established under section
7 601 of the Social Security Act (42 U.S.C. 801) to reflect
8 the inclusion of special districts as eligible for payments
9 from amounts appropriated under such section, to the ex-
10 tent such amounts exceed \$150,000,000,000.

11 **SEC. 3. INCLUDING SPECIAL DISTRICTS IN THE MUNICIPAL**
12 **LIQUIDITY FACILITY.**

13 The Board of Governors of the Federal Reserve Sys-
14 tem shall include special districts, as defined in section
15 601(g)(4) of the Social Security Act (42 U.S.C. 801(g)(4))
16 (as added by section 2(c)), as eligible issuers in the Munic-
17 ipal Liquidity Facility program authorized under section
18 13(3) of the Federal Reserve Act (12 U.S.C. 343(3)).