

116TH CONGRESS  
2D SESSION

# H. R. 7073

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.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 1, 2020

Mr. GARAMENDI (for himself, Mr. KILMER, Ms. LEE of California, Mrs. NAPOLITANO, Mrs. DEMINGS, Mr. COX of California, Mr. THOMPSON of California, Mr. BERA, Mr. PANETTA, Mr. HASTINGS, Mr. ROUDA, Mr. CRIST, Ms. JACKSON LEE, Mr. SOTO, Mr. CARBAJAL, Mr. TAKANO, Mr. LOWENTHAL, Mr. KHANNA, and Mr. COSTA) introduced the following bill; which was referred to the Committee on Oversight and Reform, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## 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,*

1 **SECTION 1. SHORT TITLE.**

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

4 **SEC. 2. INCLUSION OF SPECIAL DISTRICTS IN THE CORO-  
5 NAVIRUS RELIEF FUND.**

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

9 “(3) FUNDS FOR SPECIAL DISTRICTS.—If an  
10 amount in excess of \$150,000,000,000 is appro-  
11 priated for payments made under this section, spe-  
12 cial districts shall be eligible for payments out of  
13 such excess amount in accordance with subsection  
14 (c)(6).”.

15 (b) AMOUNT FOR SPECIAL DISTRICTS.—Section  
16 601(c) of the Social Security Act (42 U.S.C. 801(c)) is  
17 amended—

18 (1) by redesignating paragraphs (6) through  
19 (8) as paragraphs (7) through (9), respectively; and

20 (2) by inserting after paragraph (5) the fol-  
21 lowing new paragraph:

22 “(6) SPECIAL DISTRICTS.—If a portion of any  
23 excess amount described in subsection (a)(3) is allo-  
24 cated to a State, such State shall allocate at least  
25 5 percent of that amount for special districts in that  
26 State for distribution at such State’s discretion, not

1 later than 60 days after such State has received  
2 such funds.”.

3 (c) DEFINITION OF SPECIAL DISTRICT.—Section  
4 601(g) of the Social Security Act (42 U.S.C. 801(g)) is  
5 amended—

6 (1) by redesignating paragraphs (4) through  
7 (5) as paragraphs (5) through (6), respectively; and

8 (2) by inserting after paragraph (3) the fol-  
9 lowing new paragraph:

10 “(4) SPECIAL DISTRICT.—The term ‘special dis-  
11 trict’ means a political subdivision, formed pursuant  
12 to general law or special act of a State, for the pur-  
13 pose of performing one or more governmental or  
14 proprietary functions.”.

15 (d) UPDATE TO GUIDANCE.—The Secretary of the  
16 Treasury shall update any guidance issued with respect  
17 to the Coronavirus Relief Fund established under section  
18 601 of the Social Security Act (42 U.S.C. 801) to reflect  
19 the inclusion of special districts as eligible for payments  
20 from amounts in excess of \$150,000,000,000 appropriated  
21 under such section.

22 **SEC. 3. INCLUDING SPECIAL DISTRICTS IN THE MUNICIPAL**  
23 **LIQUIDITY FACILITY.**

24 The Board of Governors of the Federal Reserve Sys-  
25 tem shall include special districts as eligible issuers in the

1 Municipal Liquidity Facility program authorized under  
2 section 13(3) of the Federal Reserve Act.

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