H. R. 11

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”.

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

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

“(3) FUNDS FOR SPECIAL DISTRICTS.—If an amount in excess of $150,000,000,000 is appropriated for payments made under this section, special districts shall be eligible for payments out of such excess amount in accordance with subsection (c)(6).”.

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

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

(2) by inserting after paragraph (5) the following new paragraph:

“(6) SPECIAL DISTRICTS.—If a portion of any excess amount described in subsection (a)(3) is allocated to a State, such State shall allocate at least 5 percent of that amount for special districts in that State for distribution at such State’s discretion, not later than 60 days after such State has received such funds.”.
(c) **Definition of Special District.**—Section 601(g) of the Social Security Act (42 U.S.C. 801(g)) is amended—

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

(2) by inserting after paragraph (3) the following new paragraph:

“(4) **Special District.**—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.”.

(d) **Update to Guidance.**—The Secretary of the Treasury shall update any guidance issued with respect to the Coronavirus Relief Fund established under section 601 of the Social Security Act (42 U.S.C. 801) to reflect the inclusion of special districts as eligible for payments from amounts in excess of $150,000,000,000 appropriated under such section.

**Sec. 3. Including Special Districts in the Municipal Liquidity Facility.**

The Board of Governors of the Federal Reserve System shall include special districts as eligible issuers in the Municipal Liquidity Facility program authorized under section 13(3) of the Federal Reserve Act.