



**COSUMNES COMMUNITY SERVICES DISTRICT  
ADMINISTRATIVE SERVICES DEPARTMENT**

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June 4, 2020

The Honorable Dr. Ami Bera  
United States House of Representatives  
1727 Longworth House Office Building  
Washington, DC 20515

The Honorable Kamala Harris  
United States Senate  
112 Hart Senate Office Building  
Washington, D.C. 20510

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

Dear Congressman Ami Bera, Senator Feinstein and Senator Harris,

The Cosumnes Community Services District (CSD) respectfully urges you to support H.R. 7073, the Special Districts Provide Essential Services Act, which would bring much-needed relief resources to special districts in our community, throughout California, and across the nation.

As a provider of fire suppression, emergency medical and parks and recreation services to over 205,000 residents in the Cities of Elk Grove, Galt and south Sacramento County, proportional access to federal relief resources would help our district confront COVID-19 and overcome related unbudgeted expenses and revenue losses. Access to capital as our state and nation struggle with an economic downturn and unprecedented unemployment situation will be key for continuing operations unhindered, restoring our local economy, and preparing for the next disaster.

As a provider of Fire and Emergency Medical Services, we have continued to serve the community and continue to incur additional costs for PPE and other essential equipment.

As a provider of Parks and Recreation services, we closed all of our community sites, all recreation activities and programs, events and rentals were suspended or cancelled; all picnic areas, playgrounds and sports courts were closed as well.

For every month that these resources are closed, and events suspended the District suffers a revenue loss of \$800,000, while continuing to have outgoing cashflow for fixed cost items. When the COVID-19 situation begins to subside, this revenue loss (in large part due to the seasonality of revenue generating programs) will significantly impact the District throughout the next fiscal year of recovery.

H.R. 7073 would help the Cosumnes CSD meet the challenges of COVID-19 by:

- **Allowing special districts access to the Coronavirus Relief Fund.** Under the bill, states would be required to allocate no less than 5 percent of future Coronavirus Relief Fund disbursements to special districts. Doing so remedies deep concerns and uncertainty surrounding special districts' future access to much-needed assistance for unforeseen COVID-19-related expenditures and revenue loss. Even with the Fund's allocation under the CARES Act, many states have not yet released their portion of the Fund to local governments, including here in California. Designating special districts as eligible for the Fund would greatly assist districts in their attempts to both recoup revenue losses and backfill the increase in expenditures many have experienced due to a variety of pandemic-related expenses (PPE, etc.), which totals an estimated \$250 million through May 5 for California's special districts.
- **Permitting special districts to be considered "eligible issuers" of the Federal Reserve Board's Municipal Liquidity Facility (MLF).** The Federal Reserve established the MLF and was authorized to establish an MLF program. 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 to purchase bonds and revenue anticipation notes. Despite special districts' authority to issue these notes, they are not considered "eligible issuers" under the CARES Act. H.R. 7073 expands the Fed's authorization to purchase these notes to include all special districts as "eligible issuers" for MLF.
- **Defines "special district".** Currently, a federal definition for "special district" does not exist. The bill would establish the term as 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."*

As Congress continues to negotiate next steps for COVID-19 relief for state and local governments, the Cosumnes CSD not only asks for your support on this bill in the U.S. House but also its provisions' inclusion in the Senate's version of a state and local relief bill.

Thank you for your ongoing support of California's families and communities. Our district stands ready to partner with you in our continued efforts to deliver essential services to California residents.

Sincerely,



Joshua Green  
General Manager  
Cosumnes Community Services District

CC:

California Special Districts Association  
[via [advocacy@csgda.net](mailto:advocacy@csgda.net)]