Hidden Valley Lake
Community Services District

19400 Hartmann Road
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May 28, 2021

The Honorable
Gavin Newsom
Governor, State of California
State Capitol, Sacramento,
CA 95814

The Honorable Anthony
Rendon
Speaker of the House
State Capitol, Room 219
Sacramento, CA 95814

The Honorable Toni Atkins
Senate President
State Capitol, Room 205
Sacramento, CA 95814

Dear Governor Newsom, Speaker Rendon, and President Atkins:

Congress has approved $26 billion for California's state and local governments to aid in their response and recovery to the ongoing public health emergency. Unfortunately, many of California's Special Districts – a large sector of local governments – have been overlooked during the distribution of government aid, and they continue to face hardship accessing state and local relief programs.

Congress provided a flexible solution to this problem in the American Rescue Plan Act, empowering states with authority to transfer Coronavirus State Fiscal Recovery monies to Special Districts. **Accordingly, we, the undersigned, urge you to use this transfer authority as intended to its fullest extent and distribute a portion of California's $26 billion in State Fiscal Recovery funding to the Special Districts providing critical, essential services to California communities.**

There are more than 2100 of these local governments that provide California with fire protection, electricity, water, wastewater treatment, irrigation, resource and agricultural conservation, cemetery services and more. They specialize in providing these specific services that other governments are not providing in their communities.

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Despite the major roles they play in our daily lives, Special Districts are the only entities yet to receive direct access to COVID-19 relief funds in our state. Special Districts are public entities and, as such, are neither eligible for the Paycheck Protection Program nor tax credits provided for private and nonprofit employers for providing paid FMLA and sick leave for COVID-19 impacted employees.

Like their county and city counterparts, Special Districts would utilize American Rescue Plan relief funds to reimburse expenditures related to pandemic response; assist their residents with utility arrearages; restore services following a year's worth of revenue losses; rehire or boost frontline workers with premium pay; and invest in critical water, sewer, and broadband infrastructure – including many capital projects which have been delayed, deferred, or canceled due to the pandemic's fiscal impacts.

Fortunately, there is precedent for the state to fulfill this request. Last year, the states of Colorado and Oregon, for example, included Special Districts in distributions of Coronavirus Relief Fund monies to local governments. We encourage you to follow their examples of distributing essential funding to Special Districts.

When Special Districts are excluded from relief, essential frontline workers and community residents are excluded from relief. We encourage you to utilize the tools Congress has provided you to transfer relief funds to Special Districts expeditiously, and to ensure these critical, essential service providers continue to provide unfettered services to our recovering communities.

Sincerely,

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Clearlake Oaks County Water District

Harry Lyons, President
Lake County Resource Conservation District

Benjamin Lee Murphy, General Manager
Cobb Area County Water District

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Lakeport Fire District