



**SENATOR
LOU GENTILE**
ASSISTANT MINORITY WHIP
30TH DISTRICT

Committees

Agriculture - Ranking Member
Energy and Natural Resources -
Ranking Member
Finance
Finance – Subcommittee
General Government
Financial Institutions
Rules and Reference
Transportation, Commerce, and Labor
Public Utilities

The Honorable Sherrod Brown
United States Senate
713 Hart Building
Washington, DC 20510

October 15, 2015

Dear Senator Brown,

I respectfully request that you support Senate Bill 1802, the “Consumer Financial Choice and Capital Markets Protection Act of 2015,” which is currently under consideration before the Senate Banking, Housing, and Urban Affairs Committee. This bipartisan measure is crucial to preserving the livelihood of our local governments and their ability to access cost-efficient financing for essential infrastructure projects.

I am concerned that recent changes made by the Securities and Exchange Commission (SEC) pertaining to Money Market Funds and net asset values (NAV) will hurt Ohio’s schools, colleges and local governments. When these changes go into effect in October of 2016, Money Market Funds will become less attractive to investors which in turn will limit the amount of Money Market Funds purchasing these tax-exempt bonds. The result will be higher interest rates that drive up the cost of local infrastructure projects.

These funds currently provide high-quality, short-term debt that the majority of our local communities rely on to finance public work projects such as: roads, bridges, and water and sewer treatment facilities. Ohio in particular has significant infrastructure needs totaling \$15.5 billion in wastewater infrastructure and \$12.191 billion in drinking water infrastructure, according to the latest finalized assessments done by the U.S. Environmental Protection Agency and state agencies.

These changes would come at a time when our local governments are already struggling to operate after years of state funding cuts orchestrated by Governor Kasich and Republicans in the General Assembly. With State and federal grant dollars so scarce, the need for stable financing for infrastructure projects in Ohio has never been greater.

Senate Bill 1802 is a rational approach to help preserve this market for investors and local governments, while still ensuring adequate safeguards and regulation. Thank you for your time and consideration on this matter.

Sincerely,

A handwritten signature in blue ink that reads "Lou Gentile".

Lou Gentile
Assistant Minority Whip
State Senator
District 30

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