



Thomas P. Koch
Mayor

City Hall
Office of the Mayor
Quincy, Massachusetts

November 4, 2015

The Honorable Elizabeth Warren
United States Senate
317 Hart Senate Office Building
Washington, DC 20510

The Honorable Edward Markey
United States Senate
255 Dirksen Senate Office Building
Washington, DC 20510

Re: Support the Consumer Financial Choice and Capital Markets Protection Act of 2015 (S-1802)

Dear Senator Warren and Senator Markey:

As the Mayor of Quincy, a city that relies on a stable, low risk municipal bond market, I respectfully urge you to support Senate Bill 1802, The Consumer Financial Choice and Capital Markets Protection Act of 2015, which would undo damaging new rules imposed on municipal money market funds (MMMFs) by the Securities and Exchange Commission (SEC). I joined Governor Patrick, Treasurer Grossman, the Massachusetts Municipal Association and others in opposing this rule in comments to the SEC when they considered the rule in 2013 and 2014, and am extremely disappointed that they moved forward with it.

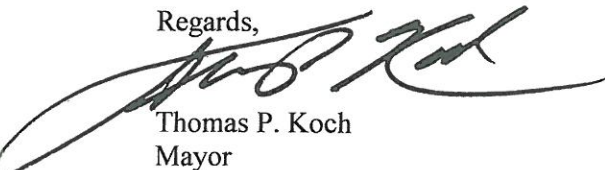
The proposed regulatory changes would require a floating net asset value (NAV) for MMMFS as opposed to the existing fixed NAV of \$1 per share. The low risk provided by the fixed NAV is an essential municipal financial tool, and I am deeply concerned that these changes will make municipal bonds less attractive to investors. If municipal bonds become substantially less attractive to investors, borrowing costs for substantial and vital infrastructure projects will almost assuredly increase, seriously limiting an important source of funding.

Nationally, 90 percent of municipal bond financing in the last 10 years paid for core public infrastructure projects, such as schools, hospitals, water and sewer facilities, roads and bridges and other public utilities. In our city of Quincy, these municipal bonds are the financial backbone for what is the most ambitious urban center redevelopment program in the Northeast, providing for tens of million in infrastructure improvements.

S.1802, which will allow these MMMFs to retain the essential fixed net asset value, is vital to our city of Quincy and cities nationwide. Thus, I again respectfully urge you to support his legislation.

Thank you in advance for your consideration.

Regards,



Thomas P. Koch
Mayor