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October 6, 2016

The Honorable Kyrsten Sinema
United States House of Representatives
1530 Longworth HOB
Washington, D.C. 20515

Dear Congresswoman Sinema:

On behalf of the 91 cities and towns in Arizona, and the nearly 6 million residents residing throughout those municipalities, we respectfully urge your support of H.R. 4216.

As you may know, municipalities use tax-exempt debt to finance various capital and public works projects. Passage of H.R. 4216 will enable us to continue cost-efficient funding of facility improvements and expanded services to include enhanced infrastructure necessary for economic development.

Today, money market funds (“MMFs”) are significant purchasers of tax-exempt obligations. However, we fear that without the passage of H.R.4216, MMFs may no longer purchase such debt after October 14, 2016 when the fund’s underlying net asset value moves from a fixed sum to a floating value pursuant to a Securities and Exchange Commission (“SEC”) Rule. Without MMFs to purchase our bonds, the cost of projects will be incrementally more expensive, limiting our future growth. In addition, obtaining the lowest possible interest costs for tax-exempt financing is an especially important tool to fund city public works and other infrastructure projects and facility upgrades.

As such, we urge your support of H.R.4216 to benefit not only Arizona residents, but local governments, business owners, developers, and the construction trades by preserving stable value money market funds for public infrastructure investment, economic development, and growth.

Since the SEC rule takes effect on October 14, 2016 **time is of the essence**. We need House Financial Services Ranking Member Waters to support a November hearing for the bill when the House goes back into session. As one of two Arizona Congress people serving on the U.S. House Financial Services Committee, we thought you would be best suited to make that request. Thank you for your attention to this issue, we greatly appreciate your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Ken Strobeck".

Ken Strobeck
Executive Director

October 6, 2016

The Honorable David Schweikert
United States House of Representatives
409 Cannon HOB
Washington, D.C. 20515

Dear Congressman Schweikert:

On behalf of the 91 cities and towns in Arizona, and the nearly 6 million residents residing throughout those municipalities, we respectfully urge your support of H.R. 4216.

As you may know, municipalities use tax-exempt debt to finance various capital and public works projects. Passage of H.R. 4216 will enable us to continue cost-efficient funding of facility improvements and expanded services to include enhanced infrastructure necessary for economic development.

Today, money market funds (“MMFs”) are significant purchasers of tax-exempt obligations. However, we fear that without the passage of H.R.4216, MMFs may no longer purchase such debt after October 14, 2016 when the fund’s underlying net asset value moves from a fixed sum to a floating value pursuant to a Securities and Exchange Commission (“SEC”) Rule. Without MMFs to purchase our bonds, the cost of projects will be incrementally more expensive, limiting our future growth. In addition, obtaining the lowest possible interest costs for tax-exempt financing is an especially important tool to fund city public works and other infrastructure projects and facility upgrades.

As such, we urge your support of H.R.4216 to benefit not only Arizona residents, but local governments, business owners, developers, and the construction trades by preserving stable value money market funds for public infrastructure investment, economic development, and growth.

Since the SEC rule takes effect in October 14, 2016 **time is of the essence**. We need House Financial Services Chairman Jeb Hensarling [R-TX-5] to hold a November hearing for the bill when the House goes back into session. As one of two Arizona Congress people serving on the U.S. House Financial Services Committee, we thought you would be best suited to make that request.

Thank you for your attention to this issue, we greatly appreciate your consideration.

Sincerely,



Ken Strobeck
Executive Director