



CAMBRIDGE CITY COUNCIL

Leland Cheung
City Councillor

August 7, 2017

The Honorable Michael Capuano
United States House of Representatives
1414 Longworth House Office Building
Washington, DC 20515

The Honorable Katherine Clark
United States House of Representatives
1415 Longworth House Office Building
Washington, DC 20515

***Re: Support for The Consumer Financial Choice and Capital Markets Protection Act of 2017
(H.R. 2319)***

Dear Representative Capuano and Representative Clark,

As a Member of the Cambridge City Council, I am writing to respectfully encourage your support for the Consumer Financial Protection Act of 2017 (H.R. 2319).

Cambridge, like many cities across the country, relies on a stable low-risk municipal bond market, and I am concerned about the impact of new regulations imposed on municipal money market funds (MMMFs) by the Securities and Exchange Commission (SEC).

In particular, a recently enacted SEC regulation changed the underlying net asset value (NAV) for MMMFs from a fixed, \$1 per share sum, to a floating NAV. This has made municipal bonds less attractive to investors, threatening an important source of capital for the City of Cambridge.


This regulation jeopardizes the ability of municipalities everywhere to efficiently fund public works and infrastructure projects, such as schools and bridges in desperate need of repair.

H.R. 2319 will restore the stable \$1 per share valuation for municipal bonds, while leaving the SEC's other safeguards in place. This bipartisan legislation will protect the borrowing ability of

municipal projects in Cambridge and across the Commonwealth, supporting job creation and economic development. In April 2016, the City Council passed a resolution in support of this bill's predecessor, S. 1802/H.R. 4216.

Thank you in advance for your consideration. If you have any questions, or would like to discuss the matter further, please feel free to contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read "Leland Cheung". The signature is fluid and cursive, with the first name "Leland" and the last name "Cheung" clearly distinguishable.

Leland Cheung
Cambridge City Councillor