



WE MEAN BUSINESS

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The Honorable Steve Daines
United States Senate
Washington, DC 20510

9 March 2018

Dear Senator Daines:

On behalf of the public and private sector entities that drive economic growth and development in our state, I am writing to request your support for S. 1117, the Consumer Financial Choice and Capital Markets Protection Act 2017. This bipartisan legislation will help our region prosper economically by restoring money market funds as an investment tool and a source of low-cost variable rate financing.

Businesses and governments in Montana and across the country benefit from money market funds as a tool to invest short-term operating cash, and as purchasers of debt used to finance infrastructure, economic development and business expansion. Unfortunately, new rules to money market funds that were adopted by the Securities and Exchange Commission (SEC) in July 2014, and which went into effect in October 2016, have had far reaching consequences on the ability of business and municipal entities to raise short-term capital and manage cash. The new "floating" net asset value rule alone has caused over \$1.15 trillion to exit the private sector.

As investments flowed out of non-government funds, Montana's businesses and municipalities lost a key source of funding, much of which was used to finance infrastructure projects, including road repairs, school facilities, and hospitals. In addition, institutions are no longer able to benefit from market rates of return on their short-term cash investments provided by prime money market funds. This drives up the cost of doing business, and results in less business investment and job creation.

S. 1117 would preserve the stable net asset value for all money market fund investors. I urge you to support this legislation to restore an investment and short-term financing option that has been indispensable to economic growth and public infrastructure investment in Montana and throughout the U.S.

Envision 2026, the Montana Chamber's 10-year strategic plan for Montana's future, prioritizes infrastructure investment and reducing the cost of doing business.

Thank you for your consideration.

Sincerely,

Webb Scott Brown
President & CEO