



**Government Finance Officers Association of Pennsylvania**

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April 9, 2018

The Honorable Bob Casey  
United States Senate  
Washington, DC 20510

Dear Senator Casey:

The Government Finance Officers Association of Pennsylvania (GFOA-PA) represents individuals working in financial positions at all levels of government throughout our commonwealth. We share our national association's support for S. 1117, the Consumer Financial Choice and Capital Markets Protection Act, and request that you cosponsor this bipartisan legislation.

S. 1117 would restore the ability of money market funds to serve our state and local governments as a safe investment option for the management of short-term cash, and as a source of low-cost capital for public infrastructure investment. It would do so by fixing the unintended consequences of an SEC rule that went into effect in October 2016. That rule prohibits public and private sector institutions that invest short term cash from investing in prime and tax exempt money market funds that have a stable net asset value (NAV). That has limited the investment options of state and municipal governments, and wiped out billions of dollars of low-cost liquidity used to finance public infrastructure, affordable housing, economic development and other important priorities.

Short-term borrowing costs have risen as a direct result of this rule, and it has reduced the ability of municipalities to obtain market returns on the short-term management of taxpayer money. These extra costs and lower returns are putting unnecessary pressure on state and municipal finances.

With your support, Congress can fix this problem. S. 1117 offers a common sense solution that help municipalities more effectively manage their finances and serve the needs of their community. Our organization requests that you co-sponsor this legislation, and use your leadership on the Senate to move it through the legislative process so it can become law as soon as possible.

Thank you for your consideration.

Sincerely,

Nick Hiriak  
GFOA-PA Board President