



LABORERS' LOCAL # 563 UNION

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April 2, 2018

Pamela Link
Laborers Local 563
1323 E. Front Ave #2
Bismarck, ND 58504

The Honorable Heidi Heitkamp
United States Senate
Washington, DC 20510

Re: S. 1117, the Consumer Financial Choice and Capital Markets Protection Act.

Dear Senator Heitkamp:

I am writing to urge your support for S. 1117, bipartisan legislation under consideration in Congress to remedy an unintended consequence of an obscure money market reform rule change that took effect in October 2016.

A Securities and Exchange Commission (SEC) rule, which required certain non-government money market funds to switch from a fixed net asset value to a floating net asset value, caused short-term borrowing costs for infrastructure and other related projects to more than double as \$1.2 trillion in private capital shifted from prime and tax-exempt funds to funds that invest only in U.S. Government debt.

As long as that money stays parked in those U.S. Government funds, it is not available to invest in facilities and capital improvements for local schools, hospitals, universities, sewer and clean water facilities, roads and bridges, airports, public transit, affordable housing, and other job creating infrastructure projects in North Dakota. All of these infrastructure priorities received significant low-cost short term financing through prime and tax-exempt municipal money market funds. When the cost of economic development and infrastructure investment increases, there is a potential for the projects to get scaled back or delayed. The men and women we represent often work on these public infrastructure projects and they could lose opportunities for good paying jobs that help support their families.

We, along with numerous public and private sector finance officers, mayors, county commissioners, school board officials, public housing administrators, and building and construction trades, strongly urge you to support S. 1117, and advocate for its adoption.

Sincerely,

Pamela Link