

May 25, 2018

The Honorable Jon Tester
United States Senate
Washington, DC 20510

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

Dear Senator Tester:

I am writing to urge your support for S. 1117, a bipartisan bill 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 institutional prime and tax exempt 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's not available to invest in facilities and capital improvements for hospitals, universities, local schools, sewer and clean water facilities, roads and bridges, airports, public transit, affordable housing, and other job creating infrastructure projects in Montana. These services are all vital to our community and we want to ensure access to low-cost short term financing through prime and tax-exempt municipal money market funds.

As a result of this rule, the cost of economic development and infrastructure investment has increased, resulting in the potential for projects to get scaled back, delayed, or scrapped altogether. This hinders economic growth, business investment, and job creation in our region. It is our hope that with your support for this bill you will help restore this low-cost financing option for our communities looking to invest in critical infrastructure projects.

We strongly urge you to support S. 1117 and advocate for its adoption.

Sincerely,



Jason A. Spring
Chief Strategy Officer