



PAULA HICKS-HUDSON
MAYOR

January 12, 2016

The Honorable Sherrod Brown
United States Senate
713 Hart Senate Office Building
Washington, DC 20510

Dear Senator Brown:

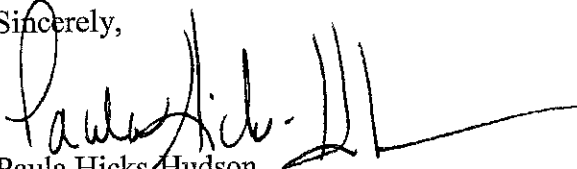
I am writing you because I am concerned about an issue that is pending in the Senate Banking, Housing and Urban Affairs Committee, Senate Bill 1802 (S. 1802). S. 1802 will help correct a rule the Securities and Exchange Commission passed concerning Money Market Funds (MMFs) and the creation of a transition from a stable Net Asset Value (NAV) to a floating NAV.

As the Mayor of Toledo I am responsible for providing services to Toledo's residents in the most cost effective and efficient way possible. Local governments across Ohio have had to do more with less since the Great Recession and the massive reduction in the Local Government Fund (LGF). One of my concerns about the proposed SEC rule change is that MMFs, that purchase a majority of the tax exempt bonds issued by governmental and non profit entities, will no longer purchase our bonds causing the costs of our bond issuances to go up.

With the passage of S. 1802 Toledo will not be in the position of being penalized because of a rule change at the SEC that had nothing to do with the financial management of the city. I have serious concerns that if MMFs are no longer purchasing our bonds that important infrastructure projects like road maintenance and repair could become more costly and possibly delay or limit our current intended infrastructure investment plans. In addition to the increased cost I am concerned if S. 1802 does not pass there will be an impact on our ability to engage in robust economic development activities that create jobs and invigorate our local workforce.

For the reasons I have stated above and others, groups like the Ohio Municipal League, the Ohio County Commissioners Association of Ohio, the Inter University Council, numerous elected officials and labor leaders across the state are supporting S. 1802. I hope you will support passage of the legislation.

Sincerely,


Paula Hicks-Hudson
Mayor, City of Toledo