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January 21, 2016

The Honorable Richard C. Shelby
United States Senate
305 Russell Senate Office Building
Washington, DC 20510

Dear Senator Shelby:

I am writing to further encourage your support of S. 1802, "The Consumer Financial Choice and Capital Markets Protection Act", introduced by Senators Pat Toomey, Mike Crapo, Joe Manchin, and Bob Menendez. S. 1802 will protect capital access and investment choices and opportunities for the Alabama Treasury, as well as for all other local and state government entities, by preserving the stable net asset value ("NAV") Money Market Fund ("MMF"). Moreover, without this legislation, Alabama would be placed at a competitive disadvantage since many other states already have capital access to these investment choices through local government investment pools (LGIPs) established in those states (Alabama has no LGIP).

Through very strong fiscal leadership and management, Alabama maintains an AA+ bond rating. This has enabled the most advantageous possible financing from MMFs of Alabama public works projects like roads, bridges, water and sewage treatment facilities, and other infrastructure projects that are crucial to economic development. MMFs also provide low cost financing to our housing authorities, universities, schools and hospitals. Collectively, Alabama issuers presently have well over \$2 billion in funding from MMFs.

Without MMFs, Alabama issuers will be choosing between more costly alternatives such as bank loans and other potentially less efficient types of capital markets financing.

S. 1802 would also preserve the stable NAV MMF as a safe, simple, convenient and effective capital markets cash management vehicle for the Alabama Treasury, all Alabama local governments, and many other organizations and businesses. Without the present investment choices, Alabama government entities and these other investors are likely to incur greater credit risk and receive a lower yield on their cash.

Recent rule changes by the Securities and Exchange Commission (SEC) force all prime and tax exempt MMFs that do not limit investors to natural persons ("institutional" funds) to a "floating NAV" because they are prohibited from using the amortized cost method of valuation for their portfolios. As "institutional" investors, state and local governments will become subject to the floating NAV requirement when the SEC rule is implemented on October 14, 2016.

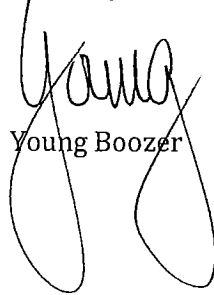
S. 1802 does not otherwise limit the general ability and discretion of the SEC to regulate MMFs. It simply requires that all investors be treated equally. S. 1802 restores and preserves access to MMFs for all types of investors and issuers by enabling any MMF to continue to use the amortized cost method of accounting to maintain a stable NAV.

We in Alabama are very fortunate to have your service in the Senate as Chairman of the Senate Banking Committee, where S. 1802 now resides. As the implementation date for the SEC's rule is rapidly approaching, I believe all Alabama government officials would be grateful for your action to move this legislation through the Banking Committee.

When you are next in Montgomery, stop by and see us in the Capitol.

Thank you for your support.

Sincerely,



Young Boozer