



March 1, 2016

The Honorable Mike Turner
United States House of Representatives
2239 Rayburn HOB
Washington, DC 20515

Dear Representative Turner:

On behalf of the City of Dayton, I urge your support and co-sponsorship of bipartisan House Bill 4216, which will ensure that Dayton can continue to cost-efficiently fund much needed public works projects. House Bill 4216 is currently pending in the House Financial Services Committee and has several Ohio co-sponsors including Reps. Stivers, Tiberi, Renacci, and Ryan.

Dayton is home to renowned universities, premier medical centers, entrepreneurs and inventors and boasts world-class research and development in the fields of aviation as well as industrial and aeronautical engineering. Like many older Midwestern cities, we need to expand upon existing infrastructure to remain competitive.

House Bill 4216 is a narrow fix in response to a rule by the Securities and Exchange Commission (“SEC”) pertaining to money market funds (“MMFs”). The SEC rule, effective October 2016, will require MMFs to switch from a fixed amortized valuation or a stable net asset value (“NAV”) of \$1 per share price, to a floating NAV. According to Crain’s, this switch has caused over fifty (50) MMFs to either liquidate all of their assets or switch to U.S. obligations. MMFs have been significant purchasers of tax-exempt obligations and we fear that without Senate Bill 1802, which would allow the NAV to remain fixed, MMFs may no longer purchase our debt. If MMFs no longer purchase our tax-exempt bonds, the cost to build capital and public works projects in and around Dayton will increase.

As such, passage of House Bill 4216 is critical in allowing us to continue to cost-effectively fund facility improvements and expanded services to include enhanced infrastructure necessary for needed economic development. In addition, these projects create or sustain hundreds of prevailing wage jobs for the local construction trades, which in turn, support our local economies.

Furthermore, Dayton relies on MMFs for short and mid-term investing needs, as well as to protect principal, ensure liquidity and maximize returns on our surplus cash. We invest in MMFs because of their simple accounting methodology and management, security and liquidity. These are all features that are necessary for Dayton to protect public funds, access cash, and pay our bills when they become due.

Please join the City of Dayton, the Ohio Municipal League, the Ohio Council of County Elected Officials, labor leaders, universities, hospitals and others across the state, in supporting House Bill 4216. Unfortunately, the impact of this particular rule change could have a dampening effect upon our ability to attract and retain a vibrant economy leveraged with new infrastructure. Please feel free to contact me should you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Nan Whaley". The signature is written in a cursive, flowing style.

Nan Whaley
Mayor