



## CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll  
Mayor

March 6, 2016

The Honorable Elizabeth Warren  
United States Senate  
317 Hart Senate Office Building  
Washington, DC 20510

The Honorable Edward Markey  
United States Senate  
255 Dirksen Senate Office Building  
Washington, DC 20510

Dear Senator Warren and Senator Markey:

As the Mayor of Salem, I respectfully urge you to support Senate Bill 1802, The Consumer Financial Choice and Capital Markets Protection Act of 2015. Our City, like many throughout the country, relies on a stable, low-risk municipal bond market, and we are deeply concerned by the harmful new rules imposed on municipal money market funds (MMMFs) by the Securities and Exchange Commission (SEC).

Without the implementation of S.1802, the SEC's new rules will significantly change the way MMMFs are used by switching the underlying net asset value (NAV) from a fixed, one dollar per share sum to a floating NAV. These changes will undoubtedly make municipal bonds less attractive to investors. As a result, borrowing costs for vital infrastructure projects will assuredly increase, limiting an important source of funding for our City. In order to fund important capital projects, the City relies on municipal bond financing and we are sincerely concerned how the SEC rules will impact our funding.

S.1802 would restore the stable \$1 per share valuation for municipal bonds, while leaving the SEC's other MMMF safeguards untouched. This legislation will protect the borrowing ability of municipal projects across Massachusetts, and we hope you will support it.

Thank you for your consideration. Please do not hesitate to reach out if you have any questions or wish to discuss the matter further.

Very truly yours,

A handwritten signature in black ink that reads "Kimberley Driscoll".

Kimberley Driscoll  
Mayor  
City of Salem