



CITY OF BOSTON  
OFFICE OF ADMINISTRATION & FINANCE

August 5, 2016

The Honorable Stephen Lynch  
United States House of Representatives  
2369 Rayburn House Office Building  
Washington, DC 20515

The Honorable Michael Capuano  
United States House of Representatives  
1414 Longworth House Office Building  
Washington, DC 20515

*Re: Support the Consumer Financial Choice and Capital Markets Protection Act of 2015 (HR 4216)*

Dear Representatives Lynch and Capuano:

As the Chief Financial Officer of the City of Boston, I respectfully ask you to support H.R. 4216, the Consumer Financial Choice and Capital Markets Protection Act of 2015. It preserves stable value money market funds for cash management liquidity and public infrastructure investment. While I overwhelmingly support the reform measures enacted in the wake of the Great Recession, I believe this legislation is necessary to protect the fiscal stability of the cities and towns that you represent.

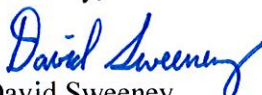
A Securities and Exchange Commission rule, scheduled to go into effect in October 2016, would change the way non-government money market funds offered to investors who are not "natural persons" may be purchased, from a fixed dollar per share net asset value (NAV) to a floating NAV.

As CFO, I am charged with guarding the City's ability to safely invest and issue debt at the lowest possible cost. Municipalities have long issued short-term debt securities, much of it held by tax-exempt money market mutual funds, to fund infrastructure and public works, as well as economic development projects that support hospitals, universities and affordable housing. The SEC's new regulations pose a threat to this source of low-cost and reliable borrowing, as many tax-exempt money market funds are liquidating in anticipation of the new rule taking effect.

Without this option, municipalities and other borrowers of tax-exempt debt will incur higher borrowing costs. This is already happening as a result of the proposed floating NAV rule. H.R. 4216 will preserve this option while maintaining other important SEC rules designed to strengthen the resiliency of money market funds.

I urge you to support this reasonable legislation, and thank you for your consideration.

Sincerely,

  
David Sweeney  
Chief Financial Officer  
City of Boston

MARTIN J. WALSH, MAYOR  
ONE CITY HALL PLAZA, BOSTON, MASSACHUSETTS 02201