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September 13, 2016

The Honorable Jeb Hensarling
Chairman
Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

Subject: H.R. 4216

Dear Chairman Hensarling:

I am writing to request your support for H.R. 4216, the Consumer Financial Choice and Capital Markets Protection Act, and to urge the Financial Services Committee to act on this bipartisan legislation as soon as possible.

State and local governments must continue to have capital market funding options available that allow them to maximize support for the economic development needs of their citizens. Fortunately, H.R. 4216 has been introduced to preserve money market funds as a viable, efficient and cost-effective source of such financing. These funds are the largest purchasers of short-term debt issued by municipalities, much of it to finance infrastructure, housing, health and education related projects.

That access has been put at risk by a Securities and Exchange Commission ("SEC") rule that prohibits prime and tax-exempt money market funds operating on a stable Net Asset Value ("NAV") basis from being offered to investors other than "natural persons." As a result, businesses and other organizations that require stable NAVs are shifting their short-term cash management needs out of money market funds and into other types of investments that do not support the capital access needs of communities.

H.R. 4216 would preserve the stable NAV for all money market fund investors. It does so without changing the Dodd-Frank Act, or impacting other changes to the regulation of money market funds that were adopted by the SEC in 2010 and 2014.

I appreciate your leadership in advancing H.R. 4216, so that we can retain the indispensable capital markets financing options provided by money market funds for economic development in Texas and throughout the country.

Sincerely,

Chris B. Brown
Houston City Controller