



Cuyahoga County
Together We Thrive

Armond Budish
County Executive

July 5th, 2017

The Honorable Sherrod Brown
United States Senate
713 Hart SOB
Washington, D.C. 20510

RE: Support S.1117, the Consumer Financial Choice and Capital Markets Protection Act of 2017

Dear Senator Brown:

Enclosed please find our letter from last Congress urging your support of legislation that would remedy an unintended consequence of money market reform. A Securities and Exchange Commission (SEC) rule change required money market funds to switch from a fixed net asset value to a floating net asset value. The result had the negative effect of eliminating \$1.2 trillion of capital markets financing for state and local infrastructure projects.

Local schools, hospitals, universities, sewer and clean water facilities, roads and bridges, airports, public transit, affordable public housing, and other job-creating infrastructure projects are largely financed through prime and tax-exempt municipal money market funds. Without a rule correction, Cuyahoga County and other public entities will lose a purchaser of local tax-exempt debt, reducing the funding available for capital improvements countywide. Already, Cuyahoga County has experienced a substantial increase in the cost of financing our capital projects because there has been a reduction in money market funds as a direct result of the rule.

Without your assistance, we will continue to be negatively impacted by higher borrowing costs through increased short-term borrowing interest rates and limited returns on surplus cash.

To keep Ohio's economy growing, we strongly urge you to support the re-introduced legislation, S.1117, and advocate for its adoption.

Sincerely,

A handwritten signature in black ink, appearing to read "Armond Budish".

Armond Budish
Cuyahoga County Executive