



June 30, 2017

The Honorable Gary Peters
United States Senate
724 Hart SOB
Washington, D.C. 20510

Re: Support S. 1117 - the Consumer Financial Choice and Capital Markets Protection Act

Dear Senator Peters:

On behalf of the Lansing Regional Chamber of Commerce, we respectfully urge your support for bipartisan S. 1117, the Consumer Financial Choice and Capital Markets Protection Act of 2017.

The Lansing Regional Chamber of Commerce has been helping mid-Michigan businesses connect, grow and succeed for more than 110 years. We are proud to be a community partner dedicated to helping employers and businesses grow. Strong capital markets and low cost financing are essential to support our community's continued economic development. Businesses and governments in Michigan benefit from money market funds as a tool to invest short-term operating cash, and as purchasers of debt used to finance infrastructure, economic development and business expansion.

Unfortunately, the Securities and Exchange Commission ("SEC") implemented a rule, which became effect in October 2016 that negatively impacted Lansing private and public sector entities trying to raise short-term capital and manage cash.

The SEC rule change requires prime and tax-exempt funds, available to businesses and local governments, to switch from a stable net asset value ("NAV") to a floating NAV. This SEC rule change has caused over \$1.15 trillion to exit prime and tax-exempt money market funds, causing the fund managers to liquidate the funds, which then deprives our members of cost efficient short term financing options. The increase to borrowing costs has numerous negative consequences that could suppress the economic development of Lansing.

S. 1117 would remedy this problem by allowing the prime and tax-exempt funds to return to the fixed NAV, thereby stabilizing the funds for all money market fund investors, and restoring an investment and short-term financing option that has been indispensable to economic growth and public infrastructure investment in Lansing for over forty years.

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I urge you to support and cosponsor S. 1117 so that businesses and local governments have the capital markets tools needed to cost effectively support the financial and economic development needs of Lansing. Thank you for your consideration of this request.

Sincerely,

Tim Daman
President & CEO
Lansing Regional Chamber of Commerce

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