



CITY OF NEW BEDFORD
JONATHAN F. MITCHELL, MAYOR

July 14, 2017

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

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

The Honorable William Keating
United States House of Representatives
Cannon House Office Building, Room 315
Washington, DC 20515

Dear Senators Warren and Markey, and Representative Keating:

I am writing to urge your support for the Consumer Financial Choice and Capital Markets Protection Act of 2017 (S. 1117/H.R. 2319).

New Bedford, like cities across the nation, relies on a stable low-risk municipal bond market, and we are concerned by harmful new regulations imposed on municipal money market funds (MMMFs) by the Securities and Exchange Commission (SEC). In particular, a recently enacted SEC regulation changed the underlying net asset value (NAV) for MMMFs from a fixed, \$1 per share sum, to a floating NAV. This has made municipal bonds less attractive to investors, threatening an important source of capital for New Bedford.

This regulation jeopardizes the ability of municipalities everywhere to efficiently fund public works and infrastructure projects, such as schools and bridges in desperate need of repair. For its part, the City has worked hard to earn the highest bond rating in its modern history so that we can secure capital at the lowest possible cost. The SEC regulation works directly against our efforts locally.

S. 1117/H.R.2319 will restore the stable \$1 per share valuation for municipal bonds, while leaving the SEC's other safeguards in place. This bipartisan legislation will protect the borrowing ability of municipal projects across Massachusetts and support job creation and economic development. Thank you in advance for your consideration. If you have any questions, or would like to discuss the matter further, please feel free to contact me directly.

Sincerely,

Jon Mitchell
Mayor