



The Commonwealth of Massachusetts
MASSACHUSETTS SENATE

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August 1, 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 Niki Tsongas
United States House of Representatives
1714 Longworth House Office Building
Washington, DC 20515

Re: Support for The Consumer Financial Choice and Capital Markets Protection Act of 2017 (S. 1117/H.R. 2319)

Dear Senators Warren and Markey, and Representative Tsongas:

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

Massachusetts' cities and towns, like many throughout the country, rely on a stable low-risk municipal bond market, and I am concerned about the impact of 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 municipalities in my district.~~

This regulation jeopardizes the ability of municipalities across the Commonwealth to efficiently fund public works and infrastructure projects, such as schools and bridges in desperate need of repair.

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.

Best,



Eileen M. Donoghue
State Senator
First Middlesex District