



March 6, 2018

The Honorable Sherrod Brown
United States Senate
713 Hart Senate Office Building
Washington DC 20510

Re: **We urge support for S. 1117, The Consumer Financial Choice and
Capital Markets Preservation Act**

Dear Senator Brown:

On behalf of The Ohio Manufacturer's Association (OMA), we respectfully urge your support for Senate Bill 1117, which is currently pending in the Senate Banking, Housing, and Urban Affairs Committee.

The OMA's mission is to protect and grow manufacturing in Ohio by ensuring manufacturing competitiveness. Government plays a significant role in determining manufacturers' cost of doing business. All along the manufacturing continuum – from transportation of raw materials to manufacturing design and production, to delivery of finished product – various policies, rules and regulations govern manufacturing activities and impact our members' costs.

One particular federal regulation that has negatively affected OMA members is a Securities and Exchange Commission (SEC) rule regarding money market funds (MMFs) which was modified effective October 2016. This new SEC rule requires MMFs to account for their underlying net asset value (NAV) on a floating basis, rather from a fixed sum. This rule change has negatively impacted our larger members who issue commercial paper for short term borrowings.

Prior to the rule change, the Prime MMFs were generally significant purchasers of commercial paper. These purchases provided a competitive market place for short term financing. With the loss of the over one trillion dollars in available capital financing due to liquidating MMFs, our members have lost a significant source of financing. Our members have relied on these fixed NAV MMFs as safe, efficient and reliable sources of short-term financing and cash management. Specifically our members rely on fixed NAV MMFs as a

source of short-term financing as a low-risk place to invest cash. Senate Bill 1117 would revert back to allowing MMFs underlying NAV to be fixed, as it was for 40 years prior to this recent SEC rule.

You may hear from some of our individual manufacturing company members during the course of the debate and we would urge you to reach out to any one of our members who would be more than happy to explain why they, and we, support Senate Bill 1117.

Sincerely,



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