



NEWAYGO COUNTY TREASURER'S OFFICE

Holly Moon, Treasurer

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March 26, 2018

The Honorable Debbie Stabenow
United States Senate
731 Hart Senate Office Building
Washington, D.C. 20510-2204

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

Dear Senator Stabenow:

As the Treasurer of Newaygo County, I join other county treasurers in Michigan and the Michigan Association of Counties in supporting S. 1117, the Consumer Financial Choice and Capital Markets Protection Act of 2017. I am asking for your support of this legislation and respectfully requesting that you consider joining Senator Peters in co-sponsoring S. 1117, which has strong bi-partisan support.

S. 1117 would reduce the adverse consequences of a 2016 Securities and Exchange Commission (SEC) rule mandating that money market funds switch from a fixed net asset value to a floating net asset value. This SEC rule had the negative effect of eliminating \$1.2 trillion of capital markets financing for state and local infrastructure projects.

Counties rely on affordable access to capital provided by money market funds to finance the construction and maintenance of vital public infrastructure. Money market funds also are used by counties to invest short-term cash because of their secure nature, simple accounting methodology, and liquidity—an option now restricted by the SEC rule change.

This legislation will help remedy the problems created by the SEC rule by allowing money market funds to operate on a stable net asset value basis as previously permitted for more than 40 years. It also would address an artificial barrier to the utilization of money market funds by municipalities due to internal investment policies and state law requirements. As a county treasurer, this is important in assuring sound returns for my constituents.

That's why local governments, business groups, and other organizations support S. 1117. To help keep Michigan's economy growing, please join us and others in supporting S. 1117.

Thank you for your consideration of this request.

Sincerely,

Holly Moon
Newaygo County Treasurer