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THE CITY OF
COLUMBUS
CITY COUNCIL

March 5, 2018

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

Dear Senator Brown,

I hope this letter finds you well. I am writing you concerning Senate Bill 1117 (S. 1117) the bi-partisan Consumer Financial Choice and Capital Markets Protection Act of 2017 that is pending before the Senate Banking, Housing and Urban Affairs Committee. The companion legislation in the House, HR 2319 passed the House Financial Services Committee in a broadly bi-partisan vote of 34-21 on January 18th of this year.


Given my role on Columbus City Council, I am concerned about the rule the Securities and Exchanges Commission (SEC) passed, over three years ago, affecting Money Market Funds (MMFs) and the transition from a stable Net Asset Value (NAV) to a floating NAV. This rule change, effective for over a year, has negatively impact tax-exempt bond issuers like the city of Columbus.

If we are to continue with the current MMFs regulatory environment then local governments all across Ohio, like Columbus, will continue to see increased borrowing costs for vital economic development and infrastructure projects. Since this rule has taken effect, over \$1 trillion has left MMFs and interest rates have increased for tax-exempt debt issuers like municipalities.

Until recently Ohio has had a long history of partnering with its local governments but with the drastic cuts to the state Local Government Fund (LGF) we have seen local governments struggle under increased fiscal strains. Not addressing this matter only furthers the fiscal burden Columbus feels because of policies at the Ohio Statehouse and in Washington. Organizations like the Ohio County Commissioner's Association, Ohio Municipal League, Inter University Council, labor leaders and other elected officials across Ohio are supporting S.1117/H.R.2319 because of the issues mentioned above.

I urge you to consider passage of S.1117 and thank you for your attention to this matter. I also thank you for your service to Ohio and the City of Columbus.

Sincerely,


Michael Stinziano
Council President Pro Tem



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