



COMMONWEALTH OF VIRGINIA

HOUSE OF DELEGATES
RICHMOND

KATHLEEN J. MURPHY

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COMMITTEE ASSIGNMENTS:
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September 26, 2018

The Honorable Gerry Connolly
United States Congress
Washington, DC 20510

Dear Congressman Connolly,

I am writing to formally request your support for H.R. 2319, the Consumer Financial Choice and Capital Markets Protection Act. This is a bipartisan piece of legislation, accompanied in the Senate by S.1117.

In 2016, the SEC adopted changes to Rule 2a-7, which governs money market funds. This Rule requires money market funds that are available to both private and public institutions that invest short term cash to no longer operate on a stable net asset value (NAV) basis. This has caused significant unintended consequences in the Commonwealth, as both the state and local governments are no longer able to act as investors in money market funds, as they cannot obtain market returns on the short-term management of money. The brunt of this has fallen on the Virginia taxpayers, who are forced to make up for extra costs and low returns.

H.R. 2319 would allow our local and state governments to again use non-government market funds to invest in our communities, strengthening infrastructure, creating jobs, and furthering economic development. In addition, it would alleviate the burden felt by residents of the Commonwealth.

I strongly encourage you to support the Consumer Financial Choice and Capital Markets Protection Act. Please contact me if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen J. Murphy".

Kathleen Murphy

Member, House of Delegates, 34th District