



The Commonwealth of Massachusetts
House of Representatives
State House, Boston 02133-1054

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CITY OF SALEM

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Dear Senator Warren,

As the State Representative for the City of Salem, I respectfully encourage you to support *S. 1117: The Consumer Financial Choice and Capital Markets Protection Act of 2017*, which is currently under consideration by the Senate, Banking, Housing, and Urban Affairs Committee.

The City of Salem, similar to many cities across our nation, depends on a stable low-risk municipal bond market to effectively fund public works and infrastructure projects. Unfortunately, a new regulation imposed on municipal money market funds (MMMFs) by the Securities and Exchange Commission (SEC) changed the underlying net asset value (NAV) from a fixed one dollar per share sum to a floating NAV. As a result of this change, many investors have fled those funds, inadvertently, creating a dramatic increase in borrowing costs for cities and towns to fund public infrastructure projects.

S.1117 will bring back the stable \$1 per share valuation for municipal bonds, while also maintaining the other SEC safeguards in place. This bipartisan legislation will protect the borrowing ability of municipalities; thus, reducing costs for public infrastructure projects and supporting job creation.

I encourage you to support this bill. Thank you in advance for your consideration. Please do not hesitate to reach out if you wish to discuss this matter further.

Regards,

A handwritten signature in blue ink that reads "Paul F. Tucker".

Paul Tucker
Seventh Essex District