

November 27, 2018

Senator Martin Heinrich
303 Hart Senate Office Building
Washington, D.C. 20510

Senator Tom Udall
531 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators Heinrich and Udall,

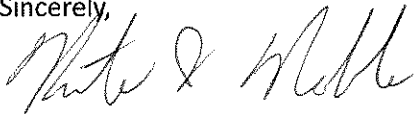
I am writing to request your support for Senate Bill 1117, the Consumer Financial Choice and Capital Markets Protection Act. This bipartisan legislation would address the significant negative consequences that new money market fund rules, implemented in October 2016, are having on public issuers and conduit borrowers, such as educational institutions.

The rule in question required prime and tax-exempt money market funds to change from a fixed to a floating net asset value (NAV). As a result, half of the assets in tax-exempt funds have been lost, drying up a very important source of financing for educational institutions. State and local educational agencies and schools themselves account for over 10 percent of all tax-exempt money market fund assets. Without access to tax-exempt funds, education authorities are forced to use higher-cost financing sources like bank credit and longer term, higher cost bonds, or reduce their investments in education.

Senate Bill 1117 would reverse these unintended consequences of the SEC floating NAV rule and permit all MMFs to go back to utilizing a fixed NAV. This would allow investors to pour money back into money market funds that support the capital access needs of educational institutions and other public infrastructure and economic development needs. I urge you to support and cosponsor this legislation so that we can restore stable value money market funds as a viable, efficient, and cost-effective source of financing for school districts and other critical public infrastructure investments.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Kate Noble", written in a cursive style.

Kate Noble

Board of Education Member, District 3 - Santa Fe Public Schools