



November 5, 2018

The Honorable Michelle Lujan Grisham
United States House of Representatives
Cannon House Office Building
Washington, DC 20515

The Honorable Steve Pearce and
The Honorable Ben Ray Luján
United States House of Representatives
Rayburn House Office Building
Washington, DC 20515

Dear Representatives Lujan Grisham, Pearce and Luján,

On behalf of the NM Inter-faith Housing, I am writing to express our organization's support for S. 1117/H.R. 2319, the Consumer Financial Choice and Capital Markets Protection Act of 2017.

This bipartisan legislation would allow all money market funds to return to using a stable \$1 net asset value (NAV), thereby restoring an important source of capital to finance the affordable housing needs of low and middle-income families. This SEC rule change has caused over \$1.15 trillion to exit prime and tax-exempt money market funds, causing the fund managers to liquidate the funds, which then deprives our members of cost-efficient short-term financing options which took effect in October 2016.

While this money remains in federal government funds, it is not available to fund facility and capital improvements for institutions and organizations like local schools, hospitals, universities, sewer and clean water facilities, roads and bridges, airports, public transit, affordable public housing, and other job-creating infrastructure projects, all financed through prime and tax-exempt municipal money market funds.

Money market funds are the largest investor or purchaser of short-term municipal bonds, holding roughly seventy percent (70%) of all outstanding short-term bonds. Housing finance agencies and housing authorities rely on these bonds to advance their common public-purpose mission of providing affordable housing to the people of their jurisdictions who need it. MMFs provide important liquidity to this tax-exempt bond market, which contributes to efforts to create housing, community, and economic opportunity for families in need.

We ask that you cosponsor S. 1117/H.R. 2319 to allow money market funds to continue to support the financing needs of housing agencies and authorities. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Werwath', is written over a light blue horizontal line.

Daniel Werwath
COO, New Mexico Inter-Faith Housing