



April 9, 2020

Honorable Sherrod Brown
503 Hart Senate Office Building
Washington, DC 20510

Dear Senator Brown:

I am writing to strongly urge your support for S.733/H.R.4492. Cincinnati and other cities in Ohio are facing an unprecedented economic contraction due to the coronavirus pandemic. In Cincinnati alone we are projecting a 20% reduction in revenue in the current fiscal year. Due to that information I was able to proactively have City Council pass legislation providing me the authority to sell \$150 million of bonds if the need for the revenue is apparent.

The action I took speaks to the need for S.733/H.R.4492. It is imperative there is liquidity in the market and that interest rates are low so cities can sell their bonds at an affordable rate. Having to pledge more General Revenue Fund dollars (GRF) to interest rates is unacceptable as we will no doubt have increased needs for many residents of Cincinnati and will need to be flexible with resources for essential needs.

S.733/H.R.4492 will correct the unintended consequences of the SEC rule change which required Money Market Funds (MMFs), the largest purchaser of tax-exempt debt, to change a more than 40-year regulatory environment of a floating Net Asset Value (NAV) instead of a stable NAV. The return to a stable NAV, which was the historical norm, will allow for almost \$1 trillion to return to the capital markets and provide much needed liquidity to the market as well the ability for more affordable financing for our local governments at a much needed and unprecedented financial time.

I believe S.733/H.R.4492 will provide Cincinnati and other cities a tool we will most definitely need as we navigate the new economic realities. Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in blue ink that reads "John Cranley".

John Cranley
Mayor, City of Cincinnati