



**City Hall**  
**Office of the Mayor**  
Quincy, Massachusetts

Thomas P. Koch  
Mayor

September 17, 2013

The Honorable Elizabeth M. Murphy, Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC



RE: File Number S7-03-13 Money Market Fund Reform

Dear Secretary Murphy:

As Mayor of a City that relies on a stable, low risk municipal bond market, I write today to respectfully oppose proposed rule changes regarding the regulation of money market mutual funds (MMMFs). I am deeply concerned that these changes will make municipal bonds less attractive to investors, increase market instability and potentially limit the City's ability to use MMMFs as a cash management vehicle.

It is my understanding that the proposed regulatory changes would require a floating net asset value (NAV) for these funds as opposed to the existing fixed NAV. The low risk provided by the fixed NAV is an essential municipal financial tool, and these changes could very well cause serious financial harm to cities throughout the country even as the recovery continues to move forward.

These proposed changes and the related investor restrictions will eliminate one of the most attractive aspects of municipal bonds: Stability. If municipal bonds become substantially less attractive to investors, borrowing costs for substantial and vital infrastructure projects will almost assuredly increase.

Nationally, 90 percent of municipal bond financing in the last 10 years paid for core public infrastructure projects, such as schools, hospitals, water and sewer facilities, roads and bridges and other public utilities. In our City, municipal bonds are the vital lynchpin for what is the most ambitious urban center redevelopment project in the Northeast, providing the backing for nearly \$300 million in infrastructure improvements. In turn, the project will attract more than \$1 billion in private investment and create more than 18,000 jobs.

The safe, predictable nature of the fixed NAV is vital to cities nationwide, and I again respectfully request that these proposed regulatory changes be denied.

Thank you for taking the time to read this letter, and thank you for all of your work on behalf of our country.

Sincerely,

Thomas P. Koch  
Mayor