

April 24, 2012

The Honorable Mary Schapiro
Chair
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Dear Chairwoman Schapiro,

On behalf of the Allegheny Conference on Community Development and the Greater Pittsburgh Chamber of Commerce, we are writing to express our concerns over the changes being proposed to the structure of money market funds.

The Allegheny Conference on Community Development and its affiliates – the Greater Pittsburgh Chamber of Commerce, the Pennsylvania Economy League of Greater Pittsburgh, and the Pittsburgh Regional Alliance – work in collaboration with public and private sector partners to stimulate economic growth and enhance the quality of life in southwestern Pennsylvania. In order to move our agenda forward, we need to ensure that good policies are in place for both business development and government stability. It is our belief that the rule changes being proposed to money market funds would greatly jeopardize the financial health and stability of our business community and our local governments, and as such, we would encourage you to not move forward with them.

As you well know, money market funds are attractive because they have a stable \$1.00 per-share net asset value (NAV). The ability to access 100% of the money invested in the fund is also an important element. Changing policies to force money market funds to “float” their NAVs or restrict the ability of investors to retrieve all of their invested money would have enormous negative impacts on the funds, as well as businesses and local governments.

Both businesses and local governments use money market funds to hold excess cash for short periods of time. Floating the NAV would undermine the convenience and simplicity of using them by adding new tax, accounting and legal hurdles. These additional burdens would surely cut back on critical public projects, leading to lower employment levels and overall economic challenges. At a time when many businesses and local governments are struggling to come out of the recession, implementing these proposed changes would certainly be a recipe for financial disaster. Thus again, we would encourage you to not move forward with the proposed rule changes to money market funds.

Thank you for your time and consideration of our comments on this important issue.

Sincerely,



Dennis Yablonsky
CEO, Allegheny Conference on Community Development



Barbara McNeese
President, Greater Pittsburgh Chamber of Commerce

Cc:

Sen. Robert Casey
Sen. Patrick Toomey
Rep. Jason Altmire
Rep. Mark Critz

Rep. Mike Doyle
Rep. Mike Kelly
Rep. Tim Murphy
Rep. Bill Shuster