



# CENTER FOR CAPITAL MARKETS

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# COMPETITIVENESS

**DAVID T. HIRSCHMANN**  
PRESIDENT AND CHIEF EXECUTIVE OFFICER

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June 27, 2012

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

Dear Chairman Schapiro:

The U.S. Chamber of Commerce (the “Chamber”), the world’s largest business federation representing the interests of more than three million businesses and organizations of every size, sector, and region, believes that short-term financing and cash management are critical for businesses to operate and expand in a global marketplace. As the Securities and Exchange Commission (the “Commission”) continues to contemplate additional changes to money market mutual fund (“ MMMF”) regulation, the Chamber would like to draw your attention to a study by Georgetown University Professor James Angel, [\*Money Market Mutual Fund “Reform”: The Danger of Acting Now\*](#) (“Angel Report”), that demonstrates the potential adverse consequences of imposing unwarranted MMMF regulation.

The Angel Report shows that now is not the time to engage in further MMMF regulation because additional regulations could:

- increase costs in a low yield environment that could drive many MMMFs out of business;
- increase borrowing costs, which could impede capital formation and cash management for businesses;
- increase borrowing costs and restrict cash management for state and local governments; and
- concentrate and increase the threat of systemic risk.

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Additionally, the Angel Report recommends that the Commission engage in a comprehensive cost-benefit analysis so that it can appropriately assess the potential consequences of additional regulations upon investors, businesses, state and local governments and the overall economy.

We urge the Commission to consider the many issues raised in this report and look forward to working with you on this issue to insure the vibrancy of American capital markets.

Sincerely,

A handwritten signature in black ink that reads "David Hirschmann". The signature is written in a cursive, slightly slanted style.

David Hirschmann

Attachment

cc: Luis A. Aguilar, Securities and Exchange Commission  
Troy A. Paredes, Securities and Exchange Commission  
Elisse Walter, Securities and Exchange Commission  
Daniel M. Gallagher, Securities and Exchange Commission  
Eileen Rominger, Securities and Exchange Commission  
Robert E. Plaze, Securities and Exchange Commission