Cincinnati USA
Regional Chamber

Ellen G. van der Horst
President & CEO

January 13, 2011

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

RE: Request for Comment on the President's Working Group Report on Money Market Fund Reform (Release No. IC-29497; File No. 4-619)

Dear Ms. Murphy:

On behalf of the Cincinnati USA Regional Chamber, I am writing to express our opposition to changes proposed to the SEC 2a-7 rule. Specifically, we oppose the requirement that *any* Money Market Funds (MMFs) be forced to abandon the stable net asset value (NAV) in favor of a floating NAV. Requiring MMFs to sell shares at the mark-to-market value will make it harder for businesses small and large to acquire much needed liquid capital.

Any major disruption in mutual fund markets could significantly hamper the current fragile economic recovery. Many large companies issue commercial paper in order to meet short-term debt obligations, including meeting payroll and financing commercial expansion. Recent research has shown that money market funds hold greater than one-third of all commercial paper. Regulations that shrink the pool of money market fund capital available will have a direct effect on the ability of companies large and small to meet their cash requirements, causing large disruptions in the nation's economy.

Regulators insist requiring MMFs to sell their shares at "fair market value" is a critical step in avoiding runs on MMF investments. It is not clear that moving MMFs from a rounded NAV to a floating NAV will markedly decrease rational investors' desire to withdraw funds in the event of substantive market fluctuations. As the President's Working Group Report admits, even a money market fund selling shares at a floating "fair market" NAV will induce shareholders to redeem their principle if the fund is at risk of depleting its liquidity buffer. Investors will always want to recoup as much of their investment as possible and changing the way a fund is valued will not decrease that instinct.

More importantly, even if moving to a floating NAV had positive effects on the tendency for investors to redeem their principle in unstable market conditions, a change to a floating NAV will decrease the attractiveness of MMFs as a stable investment. As investors begin to pull away from investing in these funds, the banks and companies relying on MMFs to purchase their commercial paper will find it hard to meet payroll needs and plans for expansion, significantly curtailing economic growth.

For the reasons above, we recommend that the Securities and Exchange Commission not alter their 2a-7 rule. Thank you for your time and consideration. If you have any questions, please feel free to contact me.

Sincerely,

Ellen G. van der Horst

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