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CHIEF FINANCIAL OFFICER
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STATE OF FLORIDA

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OFFICE OF THE SECRETARY

February 3, 2011

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

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

Dear Ms. Murphy:

Thank you for the opportunity to comment on the President's Working Group on Financial Markets Report on Money Market Fund Reform Options (PWG report).

In collaboration with the National Association of State Treasurers (NAST), Government Finance Officers Association (GFOA) and the National Association of State Auditors, Comptrollers and Treasurers (NASACT), I am writing today to share my concern with a provision of the PWG report that money market mutual funds (MMFs) maintain a floating Net Asset Value (NAV), rather than a stable $1 per share as has been the standard.

My overarching concern is that any change to the fundamental nature of MMFs could negatively impact an important source of direct financing and cash management for businesses large and small. Regulations that shrink the pool of money market mutual fund capital available to businesses will negatively impact their ability to meet their cash requirements, potentially causing large disruptions in our economy.

Moreover, MMFs offer a convenient and practical way for Floridians, including retirees and parents saving for college, to manage their money. Finally, MMFs are also an important source of funding for governments, for example, a MMF that the Florida Treasury invests in includes a 30 percent investment in U.S. Treasury securities.

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As pointed out by NAST and others, a floating NAV in MMFs could lead to a contraction in short-term public financing capability as investors, especially institutional investors, move to other products. It could increase short-term debt costs for states due to the reduction of placement options.

We recognize that MMFs experienced strain in 2008 and 2009. However, MMFs experienced far fewer problems than many other financial entities or products during this time period. Then in 2010, the SEC reformed the regulatory structure for MMFs to enhance the credit quality, diversity, maturity and liquidity of investments held in MMFs, and to improve fund governance and transparency. The Dodd-Frank Act has also resulted in greater stability for MMFs.

Thank you for the opportunity to comment on the SEC's consideration of the recommendations made in the PWG report. I appreciate that feedback from our state and partner organizations will be considered in a thoughtful and deliberative manner by the SEC.

Sincerely,

Jeff Atwater
Chief Financial Officer