



September 17, 2013

VIA EMAIL

Ms. Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street N.E.,
Washington, DC 20549-1090
rule-comments@sec.gov
File Number S7-03-13

Re: Proposed Rule on Money Market Fund Reform; File Number S7-03-13

Dear Ms. Murphy:

The Wisconsin Bankers Association (WBA) is the largest financial trade association in Wisconsin, representing approximately 300 state and nationally chartered banks, savings and loan associations, and savings banks located in communities throughout the state. WBA appreciates the opportunity to comment on the Securities and Exchange Commission's (SEC's) proposal on money market fund (MMF) reform.

Wisconsin's financial institutions remain concerned over the lack of meaningful reforms to date over the MMF reform industry despite the significant role the MMF industry plays in the overall financial stability of our country. WBA recognizes the difficult task undertaken by SEC in its review and analysis of the harm that can result from rapid heavy redemptions in MMFs as was alarmingly realized in the 2007-2008 financial crisis. We also recognize the efforts taken by SEC in 2010 when a number of amendments were made to rule 2a-7 to make MMFs more resilient by reducing the interest rate, credit, and liquidity risks of fund asset portfolios. However, we believe more fundamental changes to MMFs are warranted for greater transparency and investor awareness.

WBA recognizes that greater reform to the MMF industry is not easily accomplished given the long history of MMFs generally being classified as cash equivalents. WBA believes that a good first step in the process of greater reform is to adopt SEC's proposed Alternative One, a "floating" net asset value per share ("NAV") for MMFs. WBA believes that having a floating NAV per share would shed more light on the risks present in MMFs to investors. The value of the MMF's shares would reflect the actual market value of the underlying portfolio holdings, consistent with the requirements that apply to all other mutual funds. Additionally, we share SEC's thoughts that by making gains and losses a more regular and observable occurrence in MMFs, a floating NAV could alter investor expectations by making it clear that MMFs are not risk free. We believe that this treatment, together with the additionally proposed disclosures, will further enhance transparency. In light of recent historical events, WBA defers to SEC's expertise regarding whether an exemption to the use of the proposed floating NAV should be extended to certain MMFs, such as to government and retail MMFs.

WBA understands that implementing a floating NAV solution raises other concerns given that it would fundamentally reshape the product from its current "stable" form.

Considerations would need be given to the accounting treatment for investors, the tax treatment of gains and losses, and to other operational issues. While this will take some careful consideration and likely require a delayed implementation of a floating NAV once rules are finalized, WBA believes it is possible to introduce a floating NAV in a manner that could help mitigate the accounting and tax treatment impact on investors. A floating NAV has the benefits of providing transparency of market values to investors and reducing the possibilities for transaction activity that results in non-equitable treatment across all shareholders. Consequently, WBA believes that the benefits realized from a floating NAV outweigh the obstacles raised by others against this option.

Again, WBA appreciates the opportunity to comment on SEC's proposal. It is critical that SEC continue these efforts to research and find a constructive solution to ensure the stability of the MMF industry and the broader financial system, while still preserving its viability.

Sincerely,

A handwritten signature in black ink, reading "Rose M. Oswald Poels". The signature is written in a cursive, flowing style.

Rose M. Oswald Poels
President/CEO