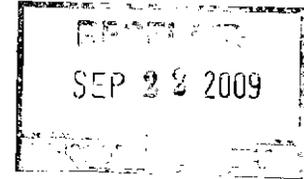




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State of Rhode Island and Providence Plantations
General Treasurer
State House - 102
Providence, Rhode Island 02903

Frank T. Caprio
General Treasurer



September 16, 2009

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

Re: SEC Proposal of Floating Net Asset Value for Money Market Funds

Dear Ms. Murphy:

As the General Treasurer from Rhode Island, I would like to go on record as opposing the SEC's proposal to promote the practice of a "floating" net asset value (NAV) for money market funds.

My reservations regarding a floating NAV for money market funds center on the following concerns:

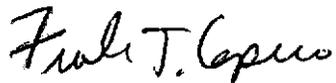
- Money market funds with a stable \$1 per share value represent a low cost, efficient and distinct asset class that provides diversification as a cash management tool. A floating NAV means money market funds will essentially become the equivalent of short term bond funds, and potentially will eliminate money market funds as a distinct investment class providing needed diversification.
- A floating NAV will likely reduce investment yields as it increases complexity and drives up administrative costs.
- Money market funds have historically provided daily liquidity which is highly desirable in managing short term funds, particularly in times of fiscal crisis. I am concerned that the daily liquidity of money market funds will be compromised at a time in our economy when it is most needed.

We are aware of the concerns raised by the National Association of State Treasurers (NAST) in their letter sent to you in July of this year, as well as the concerns set forth by the SEC's own Commissioner Paredes during his speech at the June 24th SEC meeting. We echo these concerns.

Money market funds are an efficient and low-cost cash management tool for managers of public funds. As General Treasurer having the responsibility for short-term cash management for the State of Rhode Island, as well as in my role as a fiduciary of Rhode Island's \$6.5 billion pension fund, it is a matter of importance that money market funds remain a distinct investment class providing an efficient cash management tool. I believe a floating NAV will negatively impact the current benefits of money market funds.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Frank T. Caprio". The signature is written in a cursive style with a large, prominent "F" and "C".

Frank T. Caprio
General Treasurer, State of Rhode Island