



February 5, 2013

The Honorable Timothy Geithner
Financial Stability Oversight Council
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

**RE: FSOC Recommendation Regarding Money Market Mutual Fund Reform
Docket ID FSOC-2012-0003**

Dear Secretary Geithner:

Thank you for the opportunity to comment on the Financial Stability Oversight Council's recommendation regarding money market mutual fund reform. By way of background, the New Jersey State Chamber of Commerce is a business advocacy organization that represents our members on a wide range of business issues at the state and federal level. We represent 1,200 member companies of all sizes and industries.

When the Securities Exchange Commission was considering additional rules regulating money market funds, we endorsed the U.S. Chamber of Commerce's letter in opposition to the PWG Report option that money market mutual funds float their net asset value. Now, FSOC is considering the same rule that was already rejected by a majority of the SEC's five commissioners. We are concerned that a mandatory floating net asset value, including two-tier approaches, or any other change to the fundamental nature of money market mutual funds, could negatively impact this 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, causing large disruptions in the nation's economy.

There are no immediate substitutes for money market funds in this financing role. Should money market funds be forced to adopt a floating net asset value, many state agencies, cities, counties, public authorities, public universities and other public entities would be forced to shift to bank products that have historically paid lower yields or to other cash products that are less secure. We therefore oppose proposals that would change the stable \$1.00 net asset value of money market funds or otherwise alter their fundamental features.

Thank you for your consideration.

Sincerely,

Matthew B. Malat
Director, Government Relations
New Jersey Chamber of Commerce