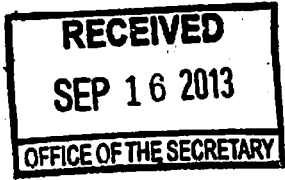


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September 6, 2013

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

Subject: Comment Letter to the Securities and Exchange Commission on Money Market Fund Reform; Release No. IC-30551; File No. S7-03-13

Dear Ms. Murphy:

I am writing to express concern over the SEC's proposed regulatory changes to money market funds. In particular, I have significant concerns that some of these proposed reforms will have a damaging effect on the ability of the State of New Hampshire and its municipalities to obtain cost-effective financing and manage our short-term investments.

My role as Treasurer for the State of New Hampshire requires that I efficiently manage the financial assets of our state, including obtaining the most cost-effective financing available for public projects important to the citizens of New Hampshire. Money market funds provide roughly two-thirds of the short-term credit that municipalities in my state and others rely on to fund projects such as public roads and schools. As a result, any regulatory changes to money market funds that lead to less investment in the product will result in less credit availability for these critical public projects.

The SEC has proposed requiring that money market funds no longer be allowed to offer investors a stable \$1.00 net asset value (NAV), and also proposes imposing redemption restrictions on investors when liquidity levels in the funds drop below a certain threshold. Unfortunately, these regulatory changes will indeed make the product less attractive to investors, shrinking the pool of available capital to help fund municipal needs.

While the proposal appropriately excludes Treasury and Government money market funds from these new regulations, it inappropriately treats municipal money market funds as if they were non-government - or prime - funds. Municipal money market funds did not experience the type of large, sudden withdrawals that institutional prime funds experienced during the financial crisis, and thus should not be subjected to these new regulations which are aimed at preventing such sudden withdrawals. Further, municipal money market funds typically have liquidity levels far above what is required under the SEC's current Rule 2a-7, making them even less susceptible to problems arising from investor redemptions.

Elizabeth M. Murphy
September 5, 2013
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In addition to concerns over the impact these new regulations will have on municipal financing costs, I also share the concerns of other investors and believe the proposed changes will make money market funds a much less useful and practical investment option for states and municipalities. Currently, the New Hampshire State Treasury invests nearly \$500 million in money market funds. The new regulations proposed by the SEC would require that we reevaluate these investments and potentially force us to invest in less liquid, less transparent, and less regulated products. As noted in many previous comment letters to the SEC, investors find the floating NAV particularly problematic from an operational and administrative perspective. As a large investor in money market funds, we share these concerns and do not believe the current proposal addresses the tax and accounting complexities that will arise if the stable NAV is removed.

Lastly, I encourage the SEC to be clear in continuing to exclude local government investment pools from its regulatory framework.

As the SEC considers its money market fund reform proposal, I urge you to consider the impact these new regulations would have on financing costs and investment choice for state and local governments. To that end, I ask that the SEC explicitly exclude municipal money market funds from further regulation under the current proposed rule.

Thank you for your attention to this important matter.

Respectfully,

A handwritten signature in black ink, appearing to read "Catherine A. Provencher", with a long horizontal flourish extending to the right.

Catherine A. Provencher
NH State Treasurer