

Poll: Floating NAV Proposal Not Gone Forever

By [Danielle Sottosanti](#), [Ignites](#), October 10, 2012 [subscription required]

Despite Treasury Secretary Timothy Geithner's reviving the debate over money market fund reform, it's unclear whether the SEC will step back into the floating NAV fray, at least for the next year or so.

That's according to a recent *Ignites* poll, which resulted in a 50/50 split among respondents. Half predict that the [Securities and Exchange Commission](#) will resuscitate the concept of a floating net asset value (NAV) for money market funds, while another 50% predict it won't.

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Looking forward, industry experts observe that regulators' push for further money market reform can go on a number of different tracks.

If the Treasury's [Financial Stability Oversight Council](#) makes a recommendation to the SEC that it resume consideration of reforms, which Geithner has said he has asked FSOC staffers to draft, "there clearly will be pressure on the SEC to revisit the money market fund area," according to Niels Holch, executive director of the [Coalition of Mutual Fund Investors](#).

The question is whether the SEC will start the process of reconsidering reform options before the FSOC makes a recommendation or after, Holch notes. There is nothing stopping the SEC from moving forward on the issue on its own, and given some of the commissioners' public statements, it's possible that a coalition of three commissioners could form, Holch explains.