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Broken Bucks: Money Funds that Took Taxpayer Guarantees in 2008

Linus Wilson

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Broken bucks: money funds that took taxpayer guarantees in 2008

[Linus Wilson](#) *Journal of Asset Management* **21**, 375–392(2020)**324** Accesses | **1** Citations | [Metrics](#)

Abstract

This is the first study to look at the characteristics of funds accepting the \$2.7 trillion taxpayer guarantee of money market mutual funds during the 2008 financial crisis. Fund shares that benefited from Federal Reserve's asset-backed commercial paper program were significantly more likely to get bailed out by taxpayers and sponsors. The paper tests if funds adhering to the SEC's 2010 liquidity reforms prior to their enactment were less likely to be bailed out in 2008. Finally, it examines if funds subject to the 2014 floating NAV regulations were more likely to be bailed out in 2008.

Introduction

This is the first study to analyze the characteristics of funds accepting the U.S Treasury's Temporary