



May 1, 2000

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OFFICE OF THE SECRETARIAT

Ms. Jean A. Webb, Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

PO Box 257
Stoneville, Mississippi
38776-0257

Phone (662) 686-3350

Fax (662) 686-3378

Re: Proposed Amendment to the Cotton No. 2 Futures Contract
Prohibiting Cotton Stocks Under Commodity Credit Loan From
Simultaneously Being Exchange-Certified for Delivery on the
Futures Contract

Dear Ms. Webb:

Delta Council, an agricultural and economic development organization representing 18 Delta and part-Delta counties of Northwest Mississippi, would like to register our opposition to the proposed regulation prohibiting certification of a bale of cotton for delivery on the New York Cotton Exchange (NYCE) future's contract that was also pledged as collateral for a Commodity Credit Corporation loan.

Cotton farmers in our region and across the United States have experienced several years of low cotton prices and growers have had to rely upon the competitiveness features of the marketing loan, enabling U.S. cotton to be competitively priced in domestic and export markets. One of the reasons the marketing loan was created and has been so successful is so there would be little differentiation between the values of U.S. cotton in the domestic and world market. In addition, there has been no disruption in the No. 2 futures contract over the period of the last two years, when we have seen a lot of cotton moving through the marketing loan. Our growers market through private merchants and marketing cooperatives that have equal access to the redemption and carrying charge provision of the loan. We have carefully reviewed the response to this proposal by Staplcotn and we fully concur with their arguments regarding specific questions raised in the comment request.

For these reasons, Delta Council would like to voice our opposition to the changes and urge the Commission to reject them.

Sincerely,

Curt Presley, Jr.

Curt Presley, Jr., President
Delta Council

Curt Presley, Clarksdale, *President*

Mike Sturdivant, Jr.

Mike Sturdivant, Jr., Chair
Farm Policy Committee

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