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American  
Cotton  
Shippers  
Association

99-34  
8

1999 SEP 30 A 11:43

COMMENT

September 30, 1999

Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581  
Fax (202) 418 5521

Re: Trade Options on the Enumerated  
Agricultural Commodities

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1999 SEP 30 P 5:1

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These comments are submitted by the American Cotton Shippers Association pursuant to the Federal Register Notice of August 31, 1999, at pages 47452 et seq, soliciting comments on the Commission's proposals to streamline the regulatory or paperwork burdens imposed by the Agricultural Trade Options Pilot Program.

ACSA's member firms handle over 80% of the U.S. cotton sold in domestic and export markets and are vitally interested in the development of alternative risk management strategies that will maximize the price potential for our producer and textile mill customers. Therefore, the interest of our members is manifest in the proposal before the Commission since it will impact our business operations and those of our producer and mill customers.

We commend the Commission Members and the staff for the time taken this past year to hear the views of the agricultural community on what must be done to offer to the producers, textile mills, and other market participants sound and viable trade options. We believe the Commission is moving in the right direction, however, the current proposal is still too restrictive, and in our opinion will not result in the use of trade options. Until all of the regulatory burdens are removed agricultural trade options will not be utilized.

Respectfully submitted,

Neal P. Gillen,  
Executive Vice President &  
General Counsel

Federated Associations: Atlantic Cotton Association Southern Cotton Association Texas Cotton Association Western Cotton Shippers Association