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February 22, 2000

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**COMMENT**

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OFFICE OF THE SECRETARIAT

Via Facsimile and U.S. Mail

Ms. Jean A. Webb  
Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, DC 20581

**Received CFTC  
Records Section**

Re: Proposed Revision of the Commission's Procedure for the Review of Contract Market Rules

Dear Ms. Webb:

On November 26, 1999, the Commodity Futures Trading Commission requested comments on a Proposed Revision of the Commission's Procedures for the Review of Contract Market Rules. 64 Fed. Reg. 66428. National Futures Association ("NFA") welcomes this opportunity to comment on the proposed revision.

NFA applauds the Commission's efforts at shifting its emphasis from a front-line regulator to an oversight agency, as reflected in both the current proposal and the recent report of CFTC's internal task force. We believe that self-regulatory organizations ("SROs") are entitled to a high degree of deference from the Commission in their rulemaking processes, and we support the Commission's efforts to expedite that process.

Additionally, NFA supports the Commission reserving the authority, under Regulation 1.41(z), to stay or to suspend the operation of an SRO rule once it has initiated a proceeding under Section 5a(a)(10), 5a(a)(12), 8a(7) or 8a(9) of the Commodity Exchange Act ("Act"). NFA believes that this measure is an appropriate and necessary safeguard in the unlikely event that, contrary to the SRO's certification, the rule being implemented either violates or is inconsistent with any provision of the Act or the Commission regulations.

Finally, NFA thinks that the Commission's proposed revision for expediting the rule approval process should be expanded to include all self-regulatory bodies. NFA believes that the reasoning that makes such a proposed revision sound for the exchanges applies equally as well for NFA.



Ms. Jean A. Webb

February 22, 2000

We appreciate this opportunity to present our views to the Commission and, as always, we look forward to working with the Commission on the important issues raised in this release.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Daniel J. Roth', written over a faint circular stamp.

Daniel J. Roth  
General Counsel

kmg.comment.contractmarketrules.doc