necessary or appropriate in the public interest
the other financial regulators, may require as
methodologies used to calculate, assess, and
statement of the financial condition of the
department would have rulemaking and enforce-
designated examining authority for the broker-
by this bill, would be utilized for this purpose.
file notice would be regulated indirectly
natively, such dealers would be permitted to
file a form of notice with the Commission. Alter-
would be required, as a general matter, to file
controls.
abuses and the establishment of internal con-
formation rulemaking would focus on financial re-
making and enforcement authority. Commis-
sion rulemaking would focus on financial res-
sponsibility and related recordkeeping and re-
requirements, as well as on the pre-
vention of fraud. Such dealers also would be
required to become members of an existing
registered securities association, or any reg-
istered securities association that may be es-
abled for derivatives dealers. Rules adopt-
ed by a registered securities association would
focus on the prevention of sales practice abuses and the establishment of internal con-
trols.
Derivatives dealers that are material associ-
ated persons of registered broker-dealers would
be treated as a general matter, to file
a form of notice with the Commission. Alter-
natively, such dealers would be permitted to
register as a derivatives dealer. Dealers that
file notice would be regulated indirectly
through their broker-dealer affiliate. The risk
assessment provisions already in place under
the Exchange Act, which would be amended
by this bill, would be utilized for this purpose.
In addition, the broker-dealer’s net capital
would be based, in part, on the derivatives ac-
tivities of its affiliated derivatives dealer. The
designated examining authority for the broker-
dealer would have rulemaking and enforce-
ment authority with respect to the derivatives activities of both the broker-dealer and the af-
filiate. The Commission also would be author-
ized to adopt rules designed to prevent fraud.
Fourth, the bill would require the filing of
quarterly reports by hedge funds, including a
statement of the financial condition of the
fund, income or losses, cash flows, changes in
equity, and a description of the models and
methodologies used to calculate, assess, and
evaluate market risk, and such other informa-
tion as the Commission and the other financial
regulators may require as necessary or appropriate in the public interest or for the protection of investors. The Commis-
sion is authorized to allow any confidential
proprietary information to be segregated in a
confidential section of the report that would be
available to the regulators, but would not be
disclosed.
Fifth, the bill would also direct the SEC to
use its existing large trader reporting authority
to issue a final large trader reporting rule. Con-
gress gave the SEC this authority in the
Market Reform Act of 1990 in order to assure
that the trading activities of hedge funds and
other large traders could be tracked by the
SEC for market surveillance and other pur-
poses. Nearly 10 years later, the SEC has failed to issue a final rule, and the draft rules
it issued years ago are gathering dust. Our bill
would change that.
Sixth, the bill would reintstate the intermarket
coordination reporting requirements estab-
lished by Section 8(a) of the Market Reform
Act of 1990. This reporting requirement, which
expired in 1995, was intended to promote co-
operation by the various financial regulatory
by requiring them to report to Congress on an an-
nual basis on their efforts to coordinate regu-
atory activities, protect payment systems and
markets during emergencies, establish ade-
quate margin requirements and limits on lever-
age, and other matters affecting the sound-
ness, stability, and integrity of the markets.
Adoption of this bill would close the regu-
latory black hole that has allowed derivatives
dealers affiliated with securities or insurance
firms to escape virtually any regulatory scrut-
in. It will give the SEC the tools needed to
assess the impact on the financial markets, and as-
sure appropriate protections are provided to
their customers against any fraudulent or abu-
sive activities. It would require hedge funds to
provide some public reporting regarding their
holdings. It is not a radical restructuring of the
derivatives market or of the hedge fund indus-
try; it is focused laser-like on the real gaps
that exist in the current regulatory framework
that need to be closed in the aftermath of the
LCGM affair. I urge my colleagues to cosponsor and sup-
port this important legislation.

A SALUTE TO MAL WARwick & Associates on its twentieth anniversary.

HON. BARBARA LEE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, November 18, 1999

Ms. LEE. Mr. Speaker, I rise today to salute,
congratulate and honor Mal Warwick & Asso-
ciates on celebrating its twentieth anniversary.
Mal Warwick & Associates is a fund-raising
and marketing agency serving non-profit orga-
nizations and socially-responsible businesses.
Over the years, they have assisted a wide va-
riety of organizations both large and small;
local, state, and national, as well as six Demo-
cratic Presidential candidates.
Mal Warwick, founder and Chairman of Mal
Warwick & Associates has been a consultant,
author and public speaker for non-profits for
more than thirty-five years. Mr. Warwick is
very involved in the community affairs of the
City of Berkeley in California, including serving
on the boards of the Berkeley Community
Fund and the Berkeley Symphony Orchestra.
Prior to Mr. Warwick’s move to Berkeley, Mr.
Warwick served for three years as a Peace
Corps volunteer in the 1960s.
Due to the efforts of Mal Warwick & Associ-
ates over the last twenty years, the quality of
life of many non-profits and the communities
they serve, has been enhanced tremendously.
Thanks to these efforts, many voluntary orga-
nizations have built the foundation towards a
more peaceful, productive and better way of
life for citizens throughout the world.
I proudly join my friends, colleagues and cli-
ents of Mal Warwick & Associates in recog-
nizing its twentieth anniversary and also join in
the celebration of its many years of extraor-
dinary service to people and organizations
through the Bay Area and the world.

THE UNIVERSITY OF MISSISSIPPI MEDICAL CENTER CONTINUES PIONEERING MEDICAL ADVANCES

HON. FLOYD SPENCE
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, November 18, 1999

Mr. SPENCE. Mr. Speaker, I rise to bring to the
attention of the House exciting medical ad-
vances that are taking place at The University
of Mississippi Medical Center (UMC), in Jack-
son, Mississippi. During the last thirty years,
UMC has gained an international reputation as
a leader in the development of landmark med-
cal procedures. In 1964, the first heart trans-
plant in the world was performed at UMC. In
1988, I received a double-lung transplant there,
which saved my life. At that time, the procedure
that I underwent was not being per-
formed anywhere else in the United States.
Most recently, UMC Assistant Professor of
Vascular Interventional Radiology and Body
Imaging, Dr. Patrick Sewell, has pioneered a
revolutionary procedure that offers great prom-
ise for the treatment of cancer patients. This
innovative work combines Magnetic Reso-
nance Imaging (MRI) and cryosurgery tech-
niques to destroy tumors. This “cryoablation”
has been successfully performed by Dr. Se-
well on cancer patients, with amazing results.
Additionally, Dr. Sewell, and Dr. Ralph
Vance, another UMC physician, have traveled
to China, to share another new “cutting-edge”
technology with medical practitioners in that
country. The procedure, which was developed
by Dr. Sewell, and which is known as “radio-
frequency of the lung tumor ablation,” utilizes
a radiofrequency probe with an Interventional
CAT scan to perform lung cancer surgery.
Mr. Speaker, I am very proud to have a
connection, through my transplant experience,
to the ongoing pioneering efforts at UMC that
are making significant breakthroughs in medi-
cine. I would like to include in the CONGRES-
SIONAL RECORD two articles that elaborate on
these impressive efforts, which are changing
the way cancer is treated.