

The bill does not roll back the exemption to the interpretation given it by the Interstate Commerce Commission, and which was in effect for many years prior to the *Northwest* decision, but would permit such transportation cooperatives to haul some general freight for the public generally but not to exceed an amount in tonnage that would exceed 15 percent of its total interstate tonnage.

The bill also provides machinery whereby the Interstate Commerce Commission would be able to police the activities of the cooperatives—which it now finds extremely difficult to do.

The instant bill has a long history culminating in a general expression of acceptability by all of the principal interests involved. I refer to the Department of Agriculture, the Interstate Commerce Commission, the Association of American Railroads, the American Trucking Associations, Inc., the National Council of Farmer Cooperatives, the American Farm Bureau Federation, the National Grange, and the Transportation Association of America.

We anticipate that several of the alleged agricultural transportation cooperatives will oppose. We also anticipate that these will be those cooperatives, including a great deal of munitions, that are engaged in the large-scale transportation for the general public between large areas in all parts of the United States and that these are the cooperatives presently under attack by the Interstate Commerce Commission or others for performing operations far beyond the scope of the *Northwest* decision under which they claim exemption.

I have attached typical newspaper advertisements or announcements by so-called farmer transportation cooperatives which indicate the aggressive nature of these people in seeking to transport traffic normally handled by certificated carriers.

We respectfully request this subcommittee promptly to report this salutary bill and to urge its early passage by the House of Representatives in its present form.

That concludes my statement, Mr. Chairman.

Mr. FRIEDEL. Thank you, Mr. Pinkney.

Do you want the attachments you have to your statement included in the record?

Mr. PINKNEY. I would, indeed, sir.

Mr. FRIEDEL. Without objection, it is so ordered.

(The documents referred to follow:)

UNITED AGRICULTURAL TRANSPORTATION ASSOCIATION OF
AMERICA MARKETING Co-Op,
Lynwood, Calif.

Attention: Traffic Manager.

AT LAST A BREAKTHROUGH ON HIGH FREIGHT RATES

DEAR SIR: "Supreme Court sanctions co-op backhauls". The Ninth Court of Appeals in the *Northwest Co-op v. ICC* case. The decision of that court was that co-ops could back-haul regulated goods if it was necessary to their operation. This means that if a co-op has a rig in Chicago and it can't get an exempt load right away, it can pick up anything and return home rather than return empty. And, the co-op can do it without ICC authority of any kind. The only limitation is that more than half of the co-op's business must be in farm-related goods.

The above is now the law of the United States! Co-ops can do exactly as we have stated. The Supreme Court turned thumbs down on the ICC and the Justice Department who had wanted the Court to rule in their favor. And, the Supreme Court made its one sentence decision in a record three days!