

your Subcommittee so that action can be completed in this Session of the Congress.

The Grange has participated with the other general farm organizations and the National Council of Farmer Cooperatives during the past several years in trying to develop reasonable and fair clarification and amendment of the cooperative association exemption in the Motor Carrier Act to preserve for bona fide cooperatives the economic and efficient marketing of their members products intended by this exemption.

The Bill, as finally passed by the Senate on June 4, 1968, represents a constructive action to preserve the basic scope of this exemption and at the same time establish specific guidelines which should be very helpful in preventing abuses by those not qualified under the exemption.

The Grange was active in 1935 in supporting the inclusion of this exemption in the Motor Carrier Act to preserve for farmers, working together in their cooperatives, this needed economy and efficiency in marketing their products. With the mounting increases in rail and common motor carrier freight rates, this exemption is increasingly important to agriculture.

Since I cannot be present to personally testify at the Hearings on this legislation, I shall appreciate your including in the record this statement of the Grange's unqualified support of S. 752 as passed by the Senate.

Respectfully yours,

HERSCHEL D. NEWSOM, *Master.*

Mr. FRIEDEL. Are there any questions, Mr. Watson?

Mr. WATSON. Thank you very much.

I think you have made a good contribution. Thank you very much.

Mr. FRIEDEL. Our next witness is Mr. Matt Triggs, American Farm Bureau Federation.

**STATEMENT OF MATT TRIGGS, ASSISTANT LEGISLATIVE DIRECTOR,
AMERICAN FARM BUREAU FEDERATION**

Mr. TRIGGS. Good morning, Mr. Chairman, and Mr. Watson.

The American Farm Bureau Federation respectfully recommends the enactment of S. 752, as approved by the Senate.

S. 752 amends section 203(b) (5) of the Motor Carrier Act by establishing limitations on the transportation services that may be provided by agricultural cooperatives.

A major purpose of the bill is to prevent the development of non-regulated for-hire transportation by non-bona fide cooperative using the cooperative form of organization to legitimize such operations.

S. 752, as approved by the Senate, contains more restrictive limitations on cooperatives than we had favored in our testimony to the Senate Committee on Commerce.

Nevertheless, it is our opinion that the bill, as amended, represents a carefully considered and a reasonable compromise of the views presented to the Senate committee by the contending parties.

Its enactment will be a benefit to all by a statutory settlement of a controversy that has occupied the attention of the parties and the courts for many years, without having necessarily been finally resolved.

We respectfully urge the committee to approve, without amendment, S. 752 in the revised form approved by the Senate.

We appreciate the opportunity to present the views of the American Farm Bureau Federation on this matter.

Mr. FRIEDEL. Thank you very much, Mr. Triggs.

Are there any questions, Mr. Watson?

Mr. WATSON. No, Mr. Chairman; other than to thank him.

As usual, the Farm Bureau comes up with a reasonably well thought out and, I think, very sound position.