

frequently supported the enactment by the Congress of legislation to remedy the major problem of illegal transportation, the most recent such action being its support of P.L. 89-170; and

Whereas, Since the decision of the United States Court of Appeals for the Ninth Circuit in *Northwest Agricultural Cooperative Association vs. Interstate Commerce Commission*, 350 F. 2d 252, numerous agricultural cooperatives and pseudo agricultural cooperatives have and are engaging in the transportation for compensation for non-members of any commodity at any rate, to, from or between any point subject only to the restriction that they do not exceed the non-member limitation provided in the Agricultural Act; and

Whereas, It is the opinion of the NARUC that such transportation is not only contrary to the intent of the Congress when it enacted the agricultural cooperative exemption (Sec. 203(b) (5) of the Interstate Commerce Act) but it also provides a further breeding ground for illegal operators making the state enforcement task much more difficult; and

Whereas, Such transportation is clearly detrimental to the economy of the motor carrier and the railroads; and

Whereas, the Interstate Commerce Commission has recognized the problem and repeatedly has recommended remedial legislation to the Congress; therefore be it

Resolved, That the NARUC recommends and strongly urges that the Congress of the United States at the earliest possible date enact S. 752 or appropriate corrective legislation to the end that the transportation activities of the agricultural cooperatives be limited to the movement of farm related items and that such cooperatives not be permitted to engage in the general transportation business;

Resolved Further, Copies of this resolution be transmitted to the Chairman of the appropriate Senate and House Committees of the United States Congress, the Chairman of the Interstate Commerce Commission and the Secretary of the Department of Transportation.

Sponsored by the Honorable Walter R. McDonald of Georgia.

Certified a true copy of a Resolution duly adopted by the National Association of Regulatory Utility Commissioners in Convention at Hollywood, Florida, on November 2, 1967.

EVERETTE KREEGER, *Secretary, NARUC.*

NORTHWEST AGRICULTURAL CO-OPERATIVE ASSOCIATION,
Ontario, Oreg., July 5, 1968.

Subject: House Counterpart of S. 752

HON. HARLEY O. STAGGERS,
House of Representatives,
Washington, D.C.

DEAR MR. STAGGERS: The following is the text of a letter I have sent to members of the House Committee on Interstate and Foreign Commerce regarding the amendment of Section 203(b) (5) of the Interstate Commerce Act. This proposed amendment greatly affects the ability of farmers located in sparsely settled areas to market their products. Please give the House Bill your careful consideration and vote no.

"S-752 constitutes a legislative preference for the regulated transportation industry over agriculture. This proposed amendment of a statute that has been in effect for more than 30 years is not required by any changed circumstances. In fact, the need for implementation of the provisions of the Agricultural Marketing Act for an efficient and economic distribution of farm products is greater now than it was in 1935 when Congress sought to fulfill those provisions with the passage of the agricultural cooperative exemption in Section 203(b) (5) of the Interstate Commerce Act.

"For more than 30 years agricultural cooperatives have been exempt from economic regulation by the Interstate Commerce Commission. The boundaries of that exemption lie in the requirement that the cooperative must be a legitimate cooperative engaged exclusively in providing its farmer members with an efficient and economic transportation service. In the course of performance of this service, the cooperative may handle that nonmember business which is reasonable and necessary to the maintenance of its primary function. Cooperatives have always been subject to the hours, safety and other regulations of the Interstate Com-