

**STATEMENTS OF DR. JOHN F. KINCAID, ASSISTANT SECRETARY
FOR SCIENCE AND TECHNOLOGY, DEPARTMENT OF COMMERCE,
AND PHILIP K. REILY, DIRECTOR, OFFICE OF STATE TECHNICAL
SERVICES; ACCOMPANIED BY ROBERT B. ELLERT, ASSISTANT
GENERAL COUNSEL**

Mr. KINCAID. Mr. Chairman, I am accompanied this morning by Mr. Philip Reily, Director of the Office of State Technical Services on my left, and Robert Ellert, assistant general counsel concerned with the science and technology program, on my right.

We also have some of the staff members sitting in the audience.

Mr. Chairman, and members, as the House of Representatives Committee on Interstate and Foreign Commerce opens hearings today on H.R. 16824, a bill to extend for 1 year the authorization of appropriations for the State Technical Services Act, I would like to commend this new program to your most favorable consideration.

It has really been an effective program although a small program to date due to budget limitations.

Mr. Reily will later be prepared to give you as many examples as you would like to hear of some of the effective contributions of the staff working on this in the States to our commerce and industry.

Also, at this time, I would like to request that consideration be given to amending H.R. 16824 to provide authorization for appropriation for 2 years, fiscal years 1969 and 1970, instead of 1 year.

This additional authority is believed to be necessary to provide a measure of assurance to the States that the program will have continuity.

The State Technical Services Act, Public Law 89-182, was signed by President Johnson on September 14, 1965. It provides for annual Federal grants to match State funds in support of cooperative programs designed to apply the findings of science to business, commerce, and industry to encourage economic growth to the States and the entire Nation.

The keystone of the legislation is local leadership, local initiative, local participation, and local resources.

PROGRESS TO DATE

The Office of State Technical Services was established in the Department of Commerce on November 19, 1965, and State participation was formally invited at that time.

To date, every State, together with Puerto Rico, Guam, the Virgin Islands, and the District of Columbia, has designated an agency to administer and coordinate programs under the State Technical Services Act.

In addition, 5-year plans for economic development of the States and annual technical-service programs to begin to carry out those plans have been prepared by nearly every State.

So far in the current fiscal year, we have requests for 46 annual program grants.

Next year, we expect requests for annual program grants from all 54 of the States and other eligible jurisdictions. One encouraging