

I met yesterday with the advisory council from Maine and found them a very dedicated and enthusiastic group.

In short, I have never seen so much ability and enthusiasm per dollar appropriated in any major program.

STATE PARTICIPATION

Speaking of acceptance by the States, I would like to reiterate Dr. Kincaid's observation that all 50 States plus Guam, Puerto Rico, the Virgin Islands, and the District of Columbia have designated agencies and begun planning.

Twenty-four States submitted annual plans with matching funds in the very first year, and 46 are participating at present. In fiscal year 1969, we expect participation by every State and territory.

Another favorable indication of acceptance of the State technical services program is a clear trend by the States to build their programs faster than dollar-for-dollar matching will permit.

In an informal survey for fiscal year 1967, we determined that more than \$1.15 in non-Federal funds went into the program for every Federal dollar and about \$1.35 in 11 States where this trend is significant.

Still another measure of acceptance is a markedly increasing proportion of user fees in the non-Federal share of total funding. These are fees actually paid by companies and individuals who use some of the services made possible through the passage of this act.

There are four sources of non-Federal support: State appropriations, institutional funds, user fees, and contributions of services and property. In the 3 years of our program, user fees have accounted for more and more of the non-Federal share—about 6 percent in the first year and nearly one-third in the current year.

I think this is the soundest possible evidence of the acceptance of this new program by American industry and commerce. Together with the trend to overmatching in the States, this increasing user contribution places a double leverage on the Federal dollar.

SPECIAL MERIT PROGRAMS

The State Technical Services Act permits us to grant matching funds for technical service programs of special merit that have broad regional or national significance or employ new techniques not included in State programs.

We have used special-merit programs to strengthen and support the State technical services program at the State level and to encourage regional cooperation. Emphasis has been placed upon programs which will become self-supporting.

Exemplary of a special-merit grant is the interstate project at the University of Wisconsin for bringing new ideas to industry by means of a mobile laboratory. Topics of interest to the audience were selected from about 20 developments at the University of Wisconsin.

During the summer and fall of 1967, the laboratory—staffed by University of Wisconsin teachers and researchers—traveled over 5,000 miles and presented forty-four 1-hour demonstrations to some 825 managers, engineers, technicians, educators, and students.