

tion which could be performed by a cooperative or federation for nonmembers.

In the interest of conservation of the committee's time, we will not go into detail with respect to these legislative proposals. A number of them are described in the report (No. 1152) issued by the Senate Committee on Commerce, in reporting on S. 752.

This bill resulted from consideration by the Senate committee of a subcommittee print also described in the report. In its report to the committee on that subcommittee print, the Department of Agriculture suggested a number of revisions. As pointed out in the committee's report, all of these revisions were adopted in S. 752 as reported by the committee. The committee also pointed out (on p. 18 of the report) that it had been advised that this version of S. 752 "would be acceptable to the Interstate Commerce Commission, three major farm groups which presented testimony or statements at the hearings—the National Council of Farmer Cooperatives, American Farm Bureau Federation, National Grange—as well as by the carriers—the American Trucking Associations and Association of American Railroads."

We are quite sure that those named above, as well as others who have testified or commented on legislative proposals in the past, were in general agreement with the objective of assisting the Interstate Commerce Commission in proceeding more effectively against illegal operators masquerading as bona fide agricultural cooperatives.

Similarly, most parties were agreed on the objective of clarifying the scope of the exemption. It is probably fair also to state that in accomplishing these objectives, all of those named above, as well as the Department, would have preferred some modification or variation from the specific proposal now before this committee.

The willingness of these interests to accept this approach to the accomplishments of the objectives would appear to us to be a rather strong endorsement of the bill. The Department recommends its enactment.

Mr. Chairman, I would like to comment briefly on this question of the limitation contained in S. 752. In doing so, I would like to clarify, first, transportation operations performed by cooperatives which generally are not subject to any controversy. They do transport property belonging to the cooperatives or the federation or property of the members of the cooperative federation. They also transport, and this has not been subject to controversy, incidental amounts for other non-member farmers.

They also on occasion enter into reciprocal transportation; in other words, haul on a backhaul from an outbound movement, a load of traffic for another cooperative back in the same direction.

Now, other than this traffic there is the traffic which I would refer to as controversial traffic. This is traffic which would normally be handled by regulated motor carriers or by other common carriers. It is this traffic which has been subject to controversy.

Under this bill, if a cooperative or federation does not transport any of this so-called controversial traffic it is not subject to a limitation under this bill. In other words, it may haul exempt traffic under section 203(b)(6) of the act just as any private carrier may transport this traffic without limit, but if the cooperative elects to engage in transportation of this so-called controversial traffic then it is subject to certain limitations.