

where you will find there was open advertising and solicitation for business from users.

Mr. PICKLE. If these cooperatives are not subject to the Interstate Commerce Commission regulations, they would not be subject to the establishment of a public rate, then the ability of the shipper to transport his goods at a cheaper cost would be greatly enhanced. How much would they save on their rate?

Mr. HAMMOND. Well, it can be negotiated. This would be no set amount because they don't have to adhere to the regulation by the Interstate Commerce Commission. In that case, it would be entirely up to the shipper and to the co-op to set a rate that would be suitable.

What that does in time, of course, it breaks down your whole regulated transportation system.

Mr. PICKLE. Then your position is that it would be a temptation for some of your members to deal with these kinds of agricultural cooperatives?

Mr. HAMMOND. Surely.

Mr. PICKLE. In the best interest of the overall well-regulated transportation industry, it is best to place limitation on the hauling of these commodities?

Mr. HAMMOND. That is correct.

Mr. PICKLE. Thank you.

Mr. FRIEDEL. Mr. Devine.

Mr. DEVINE. No questions.

Mr. FRIEDEL. Mr. Watson.

Mr. WATSON. No questions.

Mr. FRIEDEL. Thank you very much.

Mr. HAMMOND. Thank you.

Mr. FRIEDEL. Our next witness is Mr. James Harmanson, general counsel of the National Council of Farm Cooperatives.

#### STATEMENT OF L. JAMES HARMANSON, GENERAL COUNSEL, NATIONAL COUNCIL OF FARM COOPERATIVES

Mr. HARMANSON. Mr. Chairman and members of the subcommittee: My name is L. James Harmanson, Jr., general counsel of the National Council of Farmer Cooperatives, on whose behalf this statement is presented.

I want to say that I think I can contribute to the "happy marriage" that Congressman Watson just referred to but not quite as briefly as the two or three preceding witnesses. I will try to be very brief.

I do feel that your subcommittee is as interested in what this bill contains and will do as you are in who is for it and do not want to base your decision entirely on who is for it and who is against it, and that is the reason that I shall try to come directly to the point in which I feel your subcommittee is interested.

The council is a nationwide organization of farmers' cooperative business associations engaged in the primary business operations of marketing farm products, furnishing farm supplies and providing farm business services for their farmer members and other farmer patrons.

The basis for qualification for membership in the council is the same as the basis for qualification under the exemption in section