

commuted rate schedule. If the employee chooses to have his/her household goods transported by a commercial carrier, the shipment will move on a commercial bill of lading. The carrier's tariff establishes the standard level of carrier liability when the shipper fails to declare a value on the bill of lading, prescribes the options the shipper has for increasing or decreasing the carrier's standard liability, and sets the valuation fee payable when the declared value exceeds the minimum carrier liability for which no valuation fee applies. To limit the carrier to the minimum liability and avoid having to pay a valuation fee, the shipper must annotate the bill of lading in accordance with the provisions of the tariff.

[53 FR 4623, Feb. 17, 1988]

§101-40.207 Household goods loss and damage claims.

(a) Claims for loss and damage to household goods will normally be filed and processed with the line-haul carrier; i.e., the carrier to which the household goods were tendered and which is shown on the bill of lading as having received the shipment. Depending on agency policy, claims for the repair, replacement, or loss of household goods may be filed by either the agency or the employee (as owner of the goods). When the employee files the claim, the agency or the appropriate GSA regional office will furnish the employee necessary assistance in claim procedures.

(b) Under 31 U.S.C. 3721 (the Military Personnel and Civilian Employees' Claims Act of 1964, as amended), employees who sustain a loss or damage to their household goods (transported incident to service) that exceeds the amount recovered from a carrier in settlement of a claim may file claim against the United States for the difference. Pursuant to Public Law 100-565, agencies may compensate employees up to \$40,000 on claims arising on or after October 31, 1988. When it is the policy of the agency not to compensate its employees under the Act, the agency should advise employees of the options available to them for insuring their household goods against greater monetary loss. (See §101-40.206(b) of this subpart.)

(c) When settling a claim for loss or damage to a shipment of household goods, carriers may settle either for the full value declared by the shipper or arrive at the current actual value of the lost or damaged item by using the criterion of replacement cost of the lost or damaged item, less depreciation. The basis upon which carriers will settle a claim is contained in carriers' tariffs or is referenced in section 10721 (49 U.S.C. 10721) quotations on file with GSA and the Interstate Commerce Commission.

(d) Regulations governing household goods carriers subject to the Revised Interstate Commerce Act are contained in 49 CFR part 1056.

(e) Additional information concerning processing loss and damage claims may be obtained from the appropriate GSA regional office.

[51 FR 24335, July 3, 1986, as amended at 54 FR 46245, Nov. 2, 1989]

§101-40.208 Temporary nonuse, debarment, or suspension of household goods carriers.

Based on information obtained from the completed GSA Form 3080 or documented instances of other service complaints or deficiencies, agencies may place household goods carriers in temporary nonuse, debarred, or suspended status in accordance with the procedures specified in subpart 101-40.4.

[51 FR 24335, July 3, 1986]

Subpart 101-40.3—Rates, Routes, and Services

SOURCE: 45 FR 85756, Dec. 30, 1980, unless otherwise noted.

§101-40.300 Scope of subpart.

This subpart prescribes regulations governing the determination and use of rates and related data in the transportation of property for the Government; selection of the mode of transportation and the carriers within the mode; and negotiations of classification ratings, rates, and services.

[51 FR 24335, July 3, 1986]

§ 101-40.301 GSA rate and routing services.

(a) Except as otherwise provided in this subpart, executive agencies shall obtain rate and/or routing information from the appropriate GSA regional office when they have general freight or household goods shipments categorized as follows:

Shipment category	Shipment weight
Surface shipments other than household goods. (See § 101-40.305-3 for exemption.)	10,000 pounds and over, or shipments (regardless of weight) that occupy the full visible capacity (see note) of a railcar or a tractor-trailer combination(s)
Air shipments	1,000 pounds and over
Household goods shipments.	All shipments, regardless of weight (except will not apply on shipments moving in foreign commerce; see 101-40.101-1(b)). (See subpart 101-40.2 for shipments moving within the conterminous U.S.)

NOTE: Full visible capacity generally means that quantity of freight which in the manner loaded so fills a vehicle that no additional article in the shipping form tendered identical in size to the largest article in the shipment can be loaded in or on the vehicle. Consult governing tariffs for precise definition and application.

(1) Unless otherwise revoked by the GSA Central Office, permanent exemption from the rate and routing requirements of this section is granted to the Federal Emergency Management Agency (FEMA), Department of Energy (DOE), National Aeronautics and Space Administration (NASA), and the United States Department of Agriculture (USDA) to the following extent:

- (i) FEMA: Initial positioning of mobile homes shipped in response to disasters;
- (ii) DOE: Priority energy and classified defense and nuclear waste management shipments;
- (iii) NASA: Shipments of key, critical items necessary to the success of space and aerospace research, development, acquisition, flight or launch activities; and
- (iv) USDA: Emergency shipments of forest firefighting materials and equipment; household goods shipments to and from isolated areas.

(2) To meet other transportation exigencies of a critical and recurring nature, executive agencies, other than

those exempted to the extent noted in paragraph (a)(1) of this section, may request the appropriate GSA regional office to grant a temporary exemption from the routing requirements of this section. In a local emergency, which precludes the requesting of routing instructions in accordance with the requirements of this section, routing by any transportation mode may be made without prior approval. Requests for temporary exemption shall be in writing, and the appropriate GSA regional office will accept or deny the request by written instructions to the requesting agency. Exemptions will be granted for a duration of time not to exceed 1 year; however, on written request, an exemption may be renewed or extended.

(b) Agencies shall submit requests for rate and routing information to the appropriate GSA regional office. Agencies may telephone urgent requests, and replies will be made by telephone and confirmed upon request by the use of GSA Form 420, Freight Rate and Route Request/Response, or GSA Form 2485, as appropriate. (See § 101-40.4902.)

(1) To obtain rate and routing information, agencies will furnish the necessary details concerning the shipment as far in advance of the proposed shipping date as possible. For freight shipments, GSA Form 420 may be used. The procedures in subpart 101-40.2 shall be followed when requesting household goods rate and route information on shipments moving within the conterminous United States.

(2) To eliminate the need for repetitive routing instructions, GSA regional offices may issue standing route orders to cover normal repetitive movements (two or more shipments per month) of specific items between specified points by any mode of transportation. Ordinarily, a standing route order will be issued when the origin, destination, commodity(ies), and frequency of shipment constitute a repetitive traffic pattern. GSA regional offices will maintain a standing route order file and review routings at 60-day intervals from the date of their issuance to assure current application

of rates, ratings, routes, and classification. When required by changed conditions, GSA regional offices shall provide the requesting agency with revised routing instructions.

(c) Agencies are encouraged, but not required, to request GSA-furnished rate or routing information for their freight shipments that are less than the shipment weights specified in paragraph (a) of this section.

(d) Executive agency shippers will comply with all Federal, State, and local laws and regulations relating to vehicular size and weight limitations.

[45 FR 85756, Dec. 30, 1980, as amended at 51 FR 24335, July 3, 1986; 51 FR 27539, Aug. 2, 1986; 52 FR 21033, June 4, 1987]

§ 101-40.302 Standard routing principle.

Shipments shall be routed using the mode of transportation, or individual carrier or carriers within the mode, that can provide the required service at the lowest overall delivered cost to the Government.

§ 101-40.303 Application of the standard routing principle.

In the application of the standard routing principle, the principal factors for consideration, in their relative order of importance, are: Satisfactory service, aggregate delivered cost, least fuel-consumptive carrier/mode, and equitable distribution of traffic.

[51 FR 24336, July 3, 1986]

§ 101-40.303-1 Service requirements.

The following factors shall be considered in determining whether a carrier or mode of transportation can meet an agency's transportation service requirements for each individual shipment:

- (a) Availability and suitability of carrier equipment;
- (b) Shipping and receiving facilities at origin and destination;
- (c) Pickup and/or delivery service (including inside pickup or delivery), if required;
- (d) Availability of required accessorial and special services, if needed;
- (e) Estimated time in transit;
- (f) Record of past performance of the carrier; and
- (g) Transit privileges when available.

§ 101-40.303-2 Aggregate delivered costs.

When comparing aggregate delivered costs to determine the most economical routing of shipments consistent with service requirements, consideration will be given to all factors which increase costs to the shipping or receiving activity. In addition to the actual transportation rates and charges, other cost factors, such as packing, blocking, bracing, dunnage, drayage, loading, and unloading, should be considered where these items affect overall costs.

[51 FR 24336, July 3, 1986]

§ 101-40.303-3 Most fuel efficient carrier/mode.

When more than one mode, or more than one carrier within a mode, can satisfy the service requirements of a specific shipment at the same lowest aggregate delivered cost, the carrier/mode determined to be the most fuel efficient shall be selected. In determining the most fuel efficient carrier/mode, consideration shall be given to such factors as use of the carrier's equipment in "turn around" service, proximity of carrier equipment to the shipping activity, and ability of carriers to provide the most direct service to the destination points.

§ 101-40.303-4 Equitable distribution of traffic among carriers.

When more than one mode of transportation or more than one carrier within a mode can provide equally satisfactory service at the same aggregate cost and all modes are equally fuel efficient, the traffic shall be distributed as equally as practicable among the modes and among the carriers within the modes. When socially or economically disadvantaged carriers and women-owned carriers are among the eligible competing carriers, positive action will be taken to include such carriers in the equitable distribution of traffic.

[51 FR 24336, July 3, 1986]

§ 101-40.304 Description of property for shipment.

- (a) Each shipment shall be described on the bill of lading or other shipping

document as specified by the governing freight classification, carrier's tariff, or rate tender. Shipments shall be described as specifically as possible. Trade names such as "Foamite" or "Formica" or general terms such as "vehicles," "furniture," or "Government supplies," shall not be used as bill of lading descriptions.

(b) Hazardous materials, such as explosives, flammable liquids, flammable solids, oxidizers, poison A, or poison B, shall be prepared for shipment and described on bills of lading or other shipping documents in accordance with the Department of Transportation Hazardous Materials Regulations, subchapter C, title 49 of the Code of Federal Regulations.

(c) Agencies which transport, or offer for transportation, hazardous waste, as described in 40 CFR part 261, for off-site treatment, storage, or disposal are subject to regulations of the Environmental Protection Agency (EPA) and the Department of Transportation (DOT). The EPA and DOT, in a joint rulemaking effort, have developed a manifest system to ensure that hazardous waste designated for delivery to an off-site treatment, storage, or disposal facility actually reaches its destination. The central element of the system is the "manifest," a control and transport document that accompanies hazardous waste from its point of generation to its point of destination. Accordingly, agencies shall observe the provisions of 40 CFR parts 260, 261, 262, and 271 and 49 CFR parts 171 and 172, as required.

(d) Agency requests for specific freight descriptions shall be submitted to the appropriate GSA regional office.

[45 FR 85756, Dec. 30, 1980, as amended at 51 FR 24336, July 3, 1986]

§ 101-40.305 Transportation negotiations.

§ 101-40.305-1 Negotiations by GSA.

Except as provided in § 101-40.305-3, GSA regional offices will, on behalf of executive agencies, conduct all transportation negotiations with carriers to establish or modify rates, charges, ratings, services, and rules or regulations pertaining thereto.

[51 FR 24336, July 3, 1986]

§ 101-40.305-2 Cost analysis required on substantial movements.

Except as provided in § 101-40.305-3, executive agencies shall submit to the appropriate GSA regional office complete information concerning planned transportation so that a cost analysis may be made to determine whether negotiation is appropriate. This information should be submitted as far in advance of the planned transportation as possible. The information supplied shall be detailed and shall include property characteristics (those requiring shipment in bags, boxes, or bulk; hazardous properties; weight; dimension; density; value; and susceptibility to damage), origin, destination, number of shipments, weight per shipment, planned shipping schedule, and planned required delivery date.

[51 FR 24336, July 3, 1986]

§ 101-40.305-3 Negotiations by other executive agencies.

Except for the transportation of household goods under subpart 101-40.2 and where GSA has not entered into office relocation contracts pursuant to § 101-40.109-2, executive agencies are authorized to negotiate with carriers in establishing or modifying rates, charges, classification ratings, services, and rules or regulations pertaining thereto under the following conditions:

(a) When the total quantity of property to be shipped does not exceed 100,000 pounds per shipment or when the known aggregate of more than one shipment will not exceed 100,000 pounds.

NOTE: Agencies making surface shipments under agency-negotiated rates as authorized in this section are exempt from obtaining GSA rate and routing information as required in § 101-40.301(a).

(b) [Reserved]

(c) When the planned shipment is less than that which would require the assessment of carload or truckload rates.

(d) When approval to negotiate is granted by the GSA Central Office or the appropriate GSA regional office.

Federal Property Management Regulations

§ 101-40.306-2

NOTE: Section 101-40.305-3 does not prohibit executive agencies from seeking GSA assistance in negotiations.

[45 FR 85756, Dec. 30, 1980, as amended at 51 FR 24336, July 3, 1986]

§ 101-40.306 Rate tenders to the Government.

Under the provisions of section 10721 of the Revised Interstate Commerce Act (49 U.S.C. 10721), common carriers are permitted to submit tenders to the Government which contain transportation rates and/or charges for accessorial services that are lower than those published in tariffs applicable to the general public. In addition, rate tenders may be applied to shipments other than those made by the Government provided the total benefits accrue to the Government; that is, provided the Government pays the charges or directly and completely reimburses the party that initially pays the freight charges (Interpretation of Government Rate Tariff for Eastern Central Motor Carriers Association, Inc., 332 I.C.C. 161 (1968)).

[51 FR 24337, July 3, 1986]

§ 101-40.306-1 Recommended rate tender format.

(a) Executive agencies will use only those rate tenders which carriers have submitted in writing. Carriers should be encouraged to use Optional Form 280, Uniform Tender of Rates and/or Charges for Transportation Services, when preparing and submitting rate tenders to the Government. Optional Form 280 (see § 101-40.4903) is approved by the Office of Management and Budget under OMB control number 3090-0038. Rate tenders that are ambiguous in meaning shall be resolved in favor of the Government; therefore, explicit terms and conditions are necessary to preclude misunderstandings by the parties to the rate tender.

(b) Carriers may purchase Optional Form 280 from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, or print it commercially. When ordering this form from the Superintendent of Documents, specify national stock number 7540-01-092-8057. When printing this form commercially, carriers shall ensure that the form conforms to the

same size, wording, and arrangement of the approved optional form and, while no minimum grade or paper is set, carriers shall provide a reasonable grade of paper stock.

[45 FR 85756, Dec. 30, 1980, as amended at 51 FR 24337, July 3, 1986]

§ 101-40.306-2 Required shipping documents and annotations.

(a) To qualify for transportation under section 10721 rates, property must be shipped by or for the Government on:

(1) Government bills of lading;

(2) Commercial bills of lading endorsed to show that these bills of lading are to be converted to Government bills of lading after delivery to the consignee; or

(3) Commercial bills of lading showing that the Government is either the consignor or the consignee and endorsed with the following statement:

Transportation hereunder is for the (name the specific agency, such as the General Services Administration) and the actual total transportation charges paid to the carrier(s) by the consignor or consignee are assignable to, and are to be reimbursed by, the Government.

(b) When a rate tender is used for transportation furnished under a cost-reimbursable contract, the following endorsement shall be used on covering commercial bills of lading:

Transportation hereunder is for the (name the specific agency, such as the General Services Administration), and the actual total transportation charges paid to the carrier(s) by the consignor or consignee are to be reimbursed by the Government, pursuant to cost reimbursable contract number ().

This may be confirmed by contacting the agency representative at (name and telephone number). (See 332 ICC 161.)

(c) To ensure proper application of a Government rate tender on all shipments qualifying for their use, the issuing officer shall show on the bills of lading covering these shipments the applicable rate tender number and carrier identification, such as, "ABC Transportation Company, Tender ICC No. 374." In addition, if commercial bills of lading are used, they shall be endorsed as specified in paragraph (a) or (b) of this section, as necessary.

§ 101-40.306-3 Distribution.

Each agency receiving rate tenders shall promptly submit one signed copy to the National Capital Region (NCR) office listed in §101-40.101-1(a) and two copies (including at least one signed copy) to the General Services Administration, Office of Transportation Audits (FW), Washington, DC 20405.

[51 FR 24337, July 3, 1986]

§ 101-40.306-4 Bill of lading endorsements.

To ensure application of Government rate tenders to all shipments qualifying for their use, bills of lading covering the shipments shall be endorsed with the applicable tender or quotation number and carrier identification; e.g., "Section 10721 quotation, ABC Transportation Company, Tender I.C.C. No. 143." In addition, where commercial bills of lading are used rather than Government bills of lading, the commercial bills of lading shall be endorsed in conformance with the provisions set forth in §101-40.306-2(a). (For specific regulations covering transportation generated under cost-reimbursement type contracts, see 48 CFR 47.104-3.)

[52 FR 21034, June 4, 1987]

Subpart 101-40.4—Temporary Nonuse, Debarment, and Suspension of Carriers**§ 101-40.400 Scope of subpart.**

This subpart prescribes:

(a) Policies and procedures governing the temporary nonuse, debarment, and suspension of commercial carriers transporting freight or household goods for the account of civilian executive agencies;

(b) Provisions for the listing of temporary nonuse, debarred, or suspended carriers; and

(c) Treatment to be accorded carriers which are placed in temporary nonuse, debarred, or suspended status.

[51 FR 24337, July 3, 1986]

§ 101-40.401 Policy.

(a) Executive agencies shall obtain transportation services from responsible commercial carriers providing

consistent and satisfactory service to meet an agency's needs. Temporary nonuse, debarment, and suspension are discretionary actions which, when taken in accordance with this subpart, are appropriate means to implement this policy.

(b) The Federal Acquisition Regulation (FAR), codified at 48 CFR subpart 9.4, implements on a Government-wide basis the uniform policies and procedures governing the debarment and suspension of Government contractors, promulgated by the Office of Federal Procurement Policy (OFPP), Office of Management and Budget, in Policy Letter 82-1, issued June 24, 1982 (47 FR 28854, July 1, 1982), and shall apply to contracts for transportation (including bills of lading). A Government bill of lading (GBL) is a contract for transportation services. (See 41 CFR 101-41.302-2(a)(1).) A commercial bill of lading is also a contract for transportation services.

(c) Temporary nonuse is not governed by OFPP Policy Letter 82-1 since temporary nonuse does not have Government-wide effect and may be initiated by agency transportation officers. Debarment and suspension, however, shall only be imposed by the designated official specified in this subpart.

(d) Debarment or suspension of a carrier precludes the executive agency, including the Department of Defense, from awarding such carrier a contract for transportation.

(e) Agencies shall establish appropriate procedures to implement the policies and procedures of this subpart.

[51 FR 24337, July 3, 1986]

§ 101-40.402 General.

(a) Temporary nonuse may be imposed by an authorized agency transportation officer for the causes set forth in §101-40.408-2. This action should be taken when a carrier's failure to provide adequate service indicates that the carrier's continued participation poses a risk to effective operation of agency transportation programs. Temporary nonuse is a localized program response to service failures which the carrier can readily correct during a period of limited exclusion.

(b) Debarment is designed to protect the Government by excluding a carrier