47.104-3 Cost-reimbursement contracts.

(a) 49 U.S.C. 10721 and 13712 rates *may* be applied to *shipments* other than those made by the Government if the total benefit accrues to the Government, i.e., the Government *shall* pay the charges or directly and completely reimburse the party that initially bears the *freight* charges. Therefore, 49 U.S.C. 10721 and 13712 rates *may* be used for *shipments* moving on commercial bills of lading in cost reimbursement contracts under which the transportation costs are direct and allowable costs under the cost principles of part 31.

(b) 49 U.S.C. 10721 and 13712 rates *may* be applied to the movement of *household goods* and personal effects of contractor employees who are relocated for the convenience and at the direction of the Government and whose total transportation costs are reimbursed by the Government.

(c) The clause at 52.247-1, Commercial *Bill of Lading* Notations, will ensure that the Government receives the benefit of lower 49 U.S.C. 10721 and 13712 rates in cost-reimbursement contracts as described in paragraphs (a) and (b) of this section.

(d) *Contracting officers shall-*

(1) Include in contracts a statement requiring the contractor to use *carriers* that *offer* acceptable service at reduced rates if available; and

(2) Ensure that contractors receive the name and location of the transportation officer designated to furnish support and guidance when using *Government rate tenders*.

(e) The transportation office *shall-*

(1) Advise and assist *contracting officers* and contractors; and

(2) Make available to contractors the names of *carriers* that provide service under 49 U.S.C. 10721 and 13712 rates, cite applicable rate tenders, and advise contractors of the statement that *must* be shown on the *carrier*'s commercial *bill of lading* (see the clause at 52.247-1, Commercial *Bill of Lading* Notations).

Parent topic: 47.104 Government rate tenders under sections 10721 and 13712 of the Interstate Commerce Act (49 U.S.C. 10721 and 13712).