

DEPARTMENT OF DEFENSE**Department of the Army****Program for Qualifying Department of Defense (DOD) Brokers**

AGENCY: Military Traffic Management Command, DOD.

ACTION: Final notice.

SUMMARY: In previous **Federal Register** notice (Vol. 62, No. 27, pages 5962–5963) Monday, February 10, 1997, the Headquarters, Military Traffic Management Command (HQMTMC) announced a request for comments on the Program for Qualifying Department of Defense (DOD) Brokers. Comments received were about equally divided in favor and in opposition to the proposal. By notice published in the **Federal Register** (Vol. 63, No. 57, page 14431) Wednesday, March 25, 1998, HQMTMC announced its decision to test the broker program for a period of one year, beginning June 1, 1998. The test has been successfully completed. The Carrier Qualification Program is being amended to add qualification standards for brokers and to expand the Basic Agreement to include brokers. The effect is that brokers will be eligible to quality to compete in DOD transportation procurements on the same or similar terms as other carriers, except shipments requiring Transportation Protective Service (TPS). Under MTMC's new policy, brokers interested in competing for DOD traffic (except TPS shipments) can apply for qualification by executing the Basic Agreement, and by complying with the requirements for submission of evidence of insurance (cargo and public liability), a list of underlying carriers which the broker intends to use in the movement of DOD shipments, a performance bond, and other standard requirements. A copy of the Agreement between MTMC and brokers is available upon request.

FOR FURTHER INFORMATION CONTACT: Rick Wirtz, MTOP–QQ, Telephone 703–681–6393; Headquarters, Military Traffic Management Command, ATTN: MTOP–JF, 5611 Columbia Pike, Falls Church, Virginia 22041–5050.

SUPPLEMENTARY INFORMATION: MTMC has completed the one-year test program to evaluate the performance, and ability of brokers to participate in the movement of DoD freight. Brokers transported over 16 million pounds of freight during the test. Shipment on time delivery rate was 100% against a test standard of 95%. MTMC received no Transportation Discrepancy Reports regarding broker shipments during the period June 15, 1998 through June 1,

1999. Based on the performance displayed by the brokers, Commander, MTMC, has decided to add the Broker Program as part of its traffic management services to DTS customers. MTMC is changing its policy, in order to offer brokers the opportunity to qualify for participation in DoD transportation procurements, except shipments requiring a Transportation Protective Services (TPS). Under MTMC's new policy, brokers interested in competing for DoD traffic, except TPS shipments, could apply for qualification by executing the basic Agreement, and by complying with requirements for submission of evidence of insurance (public liability and cargo), a list of underlying carriers which the broker intends to use in the movement of DoD shipments, a performance bond, and other standard requirements.

Rick Wirtz,

Traffic Management Specialist, JTMO.

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DEPARTMENT OF DEFENSE**Department of the Army****Military/Industry Personal Property Tender of Service (TOS)**

AGENCY: Military Traffic Management Command, DoD.

ACTION: Notice (Request public comments on new military/industry contractual agreement).

SUMMARY: The U.S. Transportation Command proposes to issue a new personal property Tender of Service to be signed by the Military Traffic Management Command (MTMC) on behalf of the U.S. Department of Defense (DOD) and personal property carriers wishing to do business in the DOD Personal Property Shipment and Storage Program.

DATES: U.S. Transportation Command will receive comments not later than August 20, 1999. The new TOS will be effective when signed by MTMC and the carrier.

FOR FURTHER INFORMATION CONTACT: Larry Campbell, U.S. Transportation Command, TCJ4–LTP, (618) 256–1985. The public may obtain copies of the proposed Tender of Service for a fee from the U.S. Department of Commerce, National Technical Information Services, 5285 Port Royal, Springfield, Virginia 22161.

SUPPLEMENTARY INFORMATION:

Background

The new TOS is issued under the authority of Deputy Under Secretary of Defense (Logistics) Memorandum “Defense Transportation Regulation (DTR), Part I–IV,” August 5, 1995. It implements DOD policies governing the use of DOD-owned and controlled aircraft, sealife/airlift, and establishes criteria for passenger, personal property, cargo, and mobility movement.

Significant changes from the previous TOS include (1) moving quality assurance requirements from the TOS to the Domestic and International Rate Solicitations issued semi-annually by MTMC; and (2) establishment of a mandatory requirement for personal property carriers to pay inconvenience claims. The former requirements became effective in 1997. The latter requirement is found in paragraph 15.b. of the new TOS:

15. *Loss or Damage/Inconvenience Claims.*

b. *Inconvenience Claims.*

(1) I hereby reaffirm that it is my responsibility to pickup and deliver personal property shipments on the agreed date. My failure to do so can cause serious inconvenience to the Department of Defense (DOD) civilian employees and military members and the member's family, and can result in the expenditures of funds by the member of lodging, food rental/purchase of household necessities, and directly related miscellaneous expenses.

(2) I agree to acknowledge receipt of an inconvenience claim filed by a member or an installation TO within 15 calendar days from the date of receipt. I further agree to reimburse the civilian employee and military member for out-of-pocket expenses which result from my failure to offer the shipment for delivery on or before the required delivery date as stated on the Government Bill of Lading (GBL) or correction notice thereof, except for delays caused by acts of God, acts of the public enemy, acts of the Government, acts of the public authority, violent strikes, or mob interference. The member shall document the claim fully with an itemized list of charges and accompanying receipts for charges incurred. Charges shall be computed from the day after the delivery date specified on the PPGBL as the RDD or GBL correction notice thereof or the date following the day the member obtains quarters, whichever date is the latest, and will be payable through the day of actual delivery of the shipment.

(3) Expenses: Out-of-pocket expenses are all expenses incurred by a military member or DOD civilian and their