

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 \(49 U.S.C. 10721 and 13712\).](#)