

301.9100-3T and adding entries in numerical order to read as follows:

Authority: 26 U.S.C. 7805 * * *
Section 301.9100-1 also issued under 26 U.S.C. 6081;
Section 301.9100-2 also issued under 26 U.S.C. 6081;
Section 301.9100-3 also issued under 26 U.S.C. 6081; * * *

Par. 2. Sections 301.9100-1 and 301.9100-1T through 301.9100-3T are removed.

Par. 3. Sections 301.9100-1 through 301.9100-3 are added to read as follows:

§ 301.9100-1 Extensions of time to make elections.

§ 301.9100-2 Automatic extensions.

§ 301.9100-3 Other extensions.

[The text of these above proposed sections are the same as the text of §§ 301.9100-1T through 301.9100-3T published elsewhere in this issue of the Federal Register.]

Margaret Milner Richardson,

Commissioner of Internal Revenue.

[FR Doc. 96-16377 Filed 6-26-96; 8:45 am]

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DEPARTMENT OF DEFENSE

Department of the Army

32 CFR Part 619

Program for Qualifying DOD, Motor Common Carriers of Perishable Subsistence and Bulk Fuel

AGENCY: Military Traffic Management Command, DOD.

ACTION: Proposed rule.

SUMMARY: This action revises the qualifications standards to the basic agreement between the Military Traffic Management Command and Motor Common Carriers for Approval to Transport General Commodities for and on behalf of U.S. Department of Defense. This action also updates the basic agreement between the Military Traffic Management Command and Motor Common Carriers for Governing the Transportation of Hazardous Material other than Class A and B Explosives for and on Behalf of the U.S. Department of Defense. The proposal to amend those qualifications, where appropriate, are submitted to be consistent with the program qualifications for DOD Motor Common Carriers of Perishable Subsistence and Bulk Fuel.

DATES: Comments must be received by July 29, 1996.

ADDRESSES: Headquarters, Military Traffic Management Command, ATTN:

MTOP-Q, 5611 Columbia Pike, Falls Church, Virginia 22041-5050.

FOR FURTHER INFORMATION CONTACT:

Mr. Rick Wirtz at (703) 681-6393; Headquarters, Military Traffic Management Command, ATTN: MTOP-QQ, 5611 Columbia Pike, Falls Church, Virginia 22041-5050.

SUPPLEMENTARY INFORMATION: Basic information on the Carrier Qualification Program was previously published in the Federal Register, 53 FR 17970, 54 FR 17070, 54 FR 27667, 55 FR 7361, 55 FR 52976, 56 FR 45895, and 57 FR 11376.

Executive Order 12219

This proposed rule was reviewed under Executive Order 12219 and the Secretary of the Army has classified this action as non major. The effect of the rule on the economy will be less than \$100 million.

Regulatory Flexibility Act

This rule has been reviewed with regard to the requirements of the Regulatory Flexibility Act of 1980 and the Secretary of the Army has certified that this action does not have a significant impact on a substantial number of small entities. The objective of the program is to ensure that DOD obtains safe, dependable and reliable transportation services. The requirements are not designed to preclude participation by small business. Rather, they are part of a mechanism designed to ensure that the traffic offered to small businesses does not exceed their capabilities. The program's reporting and record keeping requirements are essentially administrative in nature and do not demand significant expenditures of resources such as personnel, computer equipment, or software. No professional or technical training is necessary to comply with these requirements. Alternatives to facilitate entry of small businesses have been identified and implemented.

Paperwork Reduction Act

This rule has been approved by the Office of Management and Budget as required under the requirements of the Paperwork Reduction Act of 1980 (44 U.S.C. 3507).

List of Subjects in 32 CFR Part 619

Common carriers, Freight, Motor vehicle, Safety, Shipping, and Trucks.

Accordingly, Title 32, Part 619, of the Code of Federal Regulations is amended by the following changes:

PART 619 [AMENDED]

1. The authority citation for part 619 continues to read as follows:

Authority: 49 U.S.C. 1801-1813, 2503, 2505, and 2509.

2. In § 619.4, the Insurance—Public liability and cargo text is amended by revising paragraphs (b), introductory text, (b) (3) and (4) as follows:

§ 619.4 Insurance—public liability and cargo.

* * * * *

(b) Cargo. Motor common carriers, surface freight forwarders, shipper agents and air freight forwarders must have their insurance company provide a certificate of insurance form. The deductible portion will be shown on the certificate. The insurance underwriter must have a policyholder's rating in the Best's Insurance Guide, listed in the Fiscal Service Treasury Department Circular 570, Listing of Surety Companies or specifically approved by HQMTMC. DOD's minimum cargo insurance requirements are listed below.

* * * * *

(3) Perishables carriers—\$10,000 per shipment.

(4) Bulk Fuel carriers—\$10,000 per shipment.

* * * * *

3. Appendix A to Part 619 is revised to read as follows:

Appendix A to Part 619—Basic Agreement Between the Military Traffic Management Command and Motor Common Carriers for Approval To Transport General Commodities for and on Behalf of U.S. Department of Defense.

1. The undersigned, who is duly authorized and empowered to act on behalf of _____ (Name of Company, Typed or Legibly Printed), hereinafter called the carrier, as a prerequisite for approval to transport general commodities for the account of the Department of Defense (DOD) and the Military Traffic Management Command (MTMC), hereinafter called the Government, agree to comply with all additional requirements, terms and conditions as set forth in this Agreement. This Agreement governs the transportation of all DOD general commodity freight administered by the Carrier Qualification Division, MTMC (except used household goods). Noncompliance by the carrier with any provision of this Agreement may result in MTMC taking action against the carrier under the Carrier Performance Program, governed by MTMC Regulation 15-1, and revoking approval to participate in this traffic. If the carrier's approval is revoked, the carrier may be disqualified from further participation in any DOD Freight Traffic.

2. Approval and Revocation. a. Carrier understands that its initial approval and

retention of approval are contingent upon establishing and maintaining, to MTMC's satisfaction, sufficient resources to support its proposed scope of operations and services. Sufficient resources include equipment, personnel facilities, and finances to handle traffic anticipated by DOD/MTMC under the carrier's proposed scope of operations in accordance with the service requirements of the shipper.

b. The carrier understands that MTMC may revoke approval at any time upon discovery of grounds for ineligibility or disqualification. The carrier further understands that it is not authorized to submit tenders for shipments requiring a Transportation Protective Service (TPS) until it has served DOD in an approved status for 12 continuous months. Prior to being allowed to handle shipments which require a TPS or classes A & B explosives, the carrier must first meet any additional requirements in effect at the time.

c. In addition to the initial evaluation, the carrier agrees that it will cooperate with MTMC follow-up evaluations at any time subsequent to signing this Agreement to confirm continued eligibility.

d. The carrier certifies that neither the owners, company, corporate officials, nor any affiliation or subsidiary thereof are currently debarred or suspended, disqualified by a MTMC General Freight Board, or placed in non-use by MTMC from doing business with DOD.

3. Lawful Performance.

a. Carrier agrees to comply with all applicable Federal, State, municipal, and other local laws and regulations governing the safe, proper, and lawful operation of motor vehicles, to include Title 49 Code of Federal Regulations (CFR) 386–397. Intrastate carriers are required to comply with all applicable state or federal regulations, whichever are more stringent.

b. No fines, charges, or assessments for overload vehicles or other violations of applicable laws and regulations will be passed to or be paid by any agency of the Federal Government.

4. Operating Authority. Carrier agrees to maintain valid motor common carrier operating certificates for its scope of operations. Any carrier found to be involved in brokerage, as defined by the Interstate Commerce Commission (ICC), of DOD freight traffic will have its approval revoked.

5. Insurance. a. Minimum public liability insurance requirements are prescribed in title 49 of the Code of Federal Regulations (CFR) 5387.9. Carrier agrees to ensure that the ICC is provided proof of their public liability insurance, in the form of a BMC 91 or 91–X, or MCS 90, in accordance with sections 29 and 30 of the Motor Carrier Act of 1980. Further, the motor carrier agrees to provide MTMC with a certificate of insurance form. The certificate holder block of the form will indicate that MTMC, 5611 Columbia Pike, Falls Church, Virginia 22041–5050, ATTN: MTOP–QQ, will be notified in writing, 30 days in advance of any change or cancellation. The deductible portion will be shown on the certificate. The insurance underwriter must have a policy holder's rating of "Excellent" or better in the Best's Key Rating Guide.

(1) The carrier agrees to also file with MTMC proof of: \$750,000 per vehicle for property (excluding hazardous) and \$1,000,000 per vehicle for oil, hazardous wastes, hazardous materials and hazardous substances defined in 49 Code of Federal Regulations (CFR) 171.8 and listed in 49 CFR 172.101.

(2) Public liability insurance Intrastate Carriers—Public liability insurance shall be that as required by the state, except that for deregulated states, public liability shall be the same as that required of interstate carriers.

(3) Cargo insurance. Cargo insurance in the minimum \$150,000 for loss and damages of government freight per vehicle and/or \$20,000 per vehicle and/or \$20,000 per vehicle transported (e.g. automobile transporters or vehicles in haulaway service) must be maintained. Perishable carriers will maintain, as a minimum, cargo insurance in the amount of \$10,000 per shipment and bulk petroleum carriers will maintain \$10,000 per shipment.

b. The insurance, carrier in the name of the carrier, will be in force at all times while this Agreement is in effect or until such time as the carrier cancels all tenders. The carrier agrees to ensure that the policies include a provision requiring the insurer to notify MTMC prior to any performance of service for the carrier. Charges, renewals, and cancellation notices must also be sent to MTMC, 5611 Columbia Pike, Falls Church, Virginia 22041–5050, ATTN: MTOP–QQ. This requirement applies to both interstate and intrastate carriers. Carrier's insurance policy(s) must cover all equipment used to transport DOD freight.

6. Performance Bond. a. Carrier agrees to provide MTMC with a Performance Bond. The bond secures performance and fulfillment of the carrier obligation to deliver DOD freight to destination. It will cover DOD re-procurement costs as a result of carrier default, abandoned shipments, or bankruptcy. The bond will not be utilized for operational problems such as late pick up or delivery, excessive transit time, refusals, no shows, improper/inadequate equipment or claims for lost or damaged cargo. The bond must be issued by a surety company listed in the Fiscal Service Treasury Department Circular No. 570. The bond must be completed on the form provided by MTMC. The bond will be continuous until canceled. MTMC will be notified in writing 30 days in advance of any change or cancellation. A letter of intent by the surety company is required with the initial application package. Upon MTMC approval, the carrier agrees to submit the Performance Bond before the Tender of Service will be accepted.

b. The sum of the bond will be determined as follows:

(1) Carriers having done business in their own name with DOD for 3 years or more will be required to submit a Performance Bond in the amount of 2.5% of their total DOD revenue, taken from the Freight Information Systems Report (FINS), for the previous 12 months, not to exceed \$100,000 and not less than \$25,000.

(2) New carriers and those carriers having done business in their own name with the

DOD for less than 3 years will be required to submit a Performance Bond based on areas of service they offer. Areas of service will be computed as both origins and destinations served. 1 state (including intrastate)—\$25,000; 2 to 3 states—\$50,000; 4 or more states—\$100,000.

(3) Once a carrier has been doing business with the DOD for 3 years, their bond requirement will change from area of service to percent revenue.

c. Bulk fuel carriers and Perishable carriers will be required to submit a \$25,000 Performance Bond.

d. Local drayage and commercial zone carriers are exempt from the bond requirement.

e. If carrier has secured the Performance Bond as a result of qualifying under Ammunition and Explosive, Classes A and B program or hazardous materials, other than ammunition and explosives, Classes A and B program no additional Performance Bond is required.

7. Safety. a. Carrier will not have an "unsatisfactory" safety rating with the Federal Highway Administration, Department of Transportation, and, if it is an intrastate motor carrier, with the appropriate state agency. The carrier further agrees to permit unannounced safety inspections of its facilities, terminals, equipment, employees, and procedures by DOD civilian, military personnel, or DOD contract employees. The inspection may include in-transit surveillance of vehicles and drivers. The carrier agrees to provide evidence that fulfills the requirement set forth in 49 Code of Federal Regulations parts 390 through 396. Inspection of carrier equipment, drivers' records, route plans and inspection reports will be permitted during both the pickup and delivery of shipments and in coordination with local police or other authorities while in transit. Carrier also agrees to allow inspection of carrier records and individual driver qualification files. When requested, carrier agrees to provide adequate evidence of an active driver safety, security training and evaluation program. Upon request, the information to permit MTMC to verify or inspect carrier and driver records.

b. The carrier agrees to have in place a company-wide safety management program. Carrier safety program will comply with applicable Federal, State, and local statutes or requirements. Safety programs at the company-wide level may be subject to evaluation by DOD representatives.

c. The carrier agrees to notify, within 24 hours, the consignor and consignee named by the Government Bill of Lading (GBL) or Commercial Bill of Lading (CBL) of cargo loss, damage, or unusual delay. Information reported will include origin/destination, GBL/CBL number, shipping paper and other pertinent accident details. When requested, carrier agrees to furnish MTMC a copy of accident reports submitted to the Department of Transportation on Form MCS 50–T (Property).

8. Drivers Requirement. a. The carrier agrees to ensure that any driver used by the carrier to transport DOD freight possesses a valid commercial driver's license (in compliance with Federal Commercial Motor

Vehicle Safety Act of 1986) issued by his or her state of domicile. Drivers must have a minimum 1 year of driving experience driving equipment similar to that used to transport DOD freight, or have proof of graduation from an accredited trade truck motor driving school, operating the aforementioned equipment.

b. The carrier agrees to further ensure that driver carry a company picture identification card to verify affiliation with the carrier named on the Government Bill of Lading.

9. Equipment. The carrier is prohibited from using trip-leased equipment or drivers, except upon prior approval from MTMC. Leases of less than 30 days are considered trip-leases. In order to trip-lease, a carrier must apply for approval under MTMC's trip-lease program. In order to trip-lease, a carrier must apply for approval under MTMC's trip-lease program.

10. Shipment. The carrier agrees to provide, at no additional cost to the government, the status of any shipment within 24 hours after an inquiry is made. Further, the carrier agrees to not divulge any information to unauthorized persons concerning the nature and movement of any DOD shipment.

11. Documentation. a. The carrier agrees to accept GBLs and CBLs on which freight charges will be paid by the Government, and be bound by all terms stated on the SF 1103, Government Bill of Lading, regardless of the type of bill of lading tendered.

b. The carrier agrees to comply with the documentation prelodging procedures in effect at Military Ocean Terminals or the installation, when cargo is consigned for further movement overseas. (Prelodging is the submission of advance shipment documents which identifies the shipment to the Military Ocean Terminal prior to delivery of the cargo at the terminal.) Instructions will be provided by the consignor to furnish certain data at least 24 hours in advance of cargo delivery to the terminal.

12. Loss of Damage. The carrier agrees to be liable for loss or damage to cargo in accordance with the provisions of 49 U.S.C. 11707 (the Carmack Amendment to the Interstate Commerce Act). Carrier agrees to promptly settle uncontested claims for loss or damage.

13. Standard Tender of Service. a. The carrier agrees to comply with the preparation and filing instructions in applicable freight traffic rules publications issued by MTMC. Carrier understands that MTMC will reject tenders not in compliance with these instructions.

b. Carrier agrees to provide a street address where the company office is located in lieu of a post office box number. Carrier agrees to provide the address prior to or in conjunction with submission of any tenders or other rate schedules. The carrier agrees to also advise MTMC of any change in address prior to the effective date of the change. Failure to do so is grounds to discontinue use of the carriers.

c. Carrier understands that tenders inadvertently accepted and distributed for use and not in compliance with this agreement, the provisions contained in the Standard Tender of Freight Services (MT Form 364-R), or the applicable MTMC

Freight Traffic Rules Publication, and supplements thereof, will be subject to immediate removal or non-use until corrections are made. The issuing carrier tender will be placed in an inactive status.

14. Rates. a. Carrier agrees to transport Government shipments at the lowest tender rate specifically applicable to the department or agency involved.

b. Carrier agrees to publish guaranteed through rates for at least 30 days. These rates must be filed with MTMC, HQ, Eastern Area, ATTN: MTE-IN, Bayonne, New Jersey 07002-5302. The carrier must publish all rates, charges, and accessorial services on a MTMC approved form, and must comply with the tender preparation instructions. (Only services annotated with a charge in the tender will be paid by the shipper.)

15. Carrier Performance. Carrier agrees that carrier's equipment, performance, and standards of service will conform with its obligations under Federal, State and local law and regulation as well as with the guidelines found in the Defense Traffic Management Regulation (DTMR) and this Agreement. The carrier fully understands its obligation to remain current in its knowledge of service standards. The carrier accepts the government's right to revoke approval, declare ineligible, non-use, or disqualify the carrier for unsatisfactory service for any operating deficiency, noncompliance with terms of this Agreement or terms of any negotiated agreements, tariffs, tenders, bills of lading or similar arrangements determining the relationship of the parties, or for the publications or assessment of unreasonable rates, charges, rules, descriptions classifications, practices, or other unreasonable provisions of tariffs/tenders. Rules governing the Carrier Performance Program are found in MTMC Regulation 15-1, and Army Regulation 55-355, DTMR. If a carrier is removed or disqualified for 6 months or more, it will have to be re-qualified.

16. General Provisions. The carrier agrees to possess a valid Standard Carrier Alpha Code (SCAC). When a company holding the appropriate authority has operating divisions each with its own unique SCAC, each such division is required to execute a separate agreement with MTMC governing the transportation of protected commodities.

17. Terms of the Agreement. a. The terms of this Agreement will be applicable to each shipment.

b. This agreement shall be effective from the date of approval by MTMC, until terminated. Termination is effective upon receipt of written notice by either party.

c. Nothing in this Agreement will be construed as a guarantee by the Government of any particular volume of traffic.

d. The carrier agrees to immediately notify MTMC of any changes in ownership, in affiliations, executive officers, and/or board members, and carrier name. Carrier understands that failure to notify MTMC shall be grounds for immediate revocation of the carrier's approval and their participation in the movement of DOD freight.

18. Additional Specialized Requirements. The terms of this Agreement will not prevent different or additional requirements with

respect to negotiated agreements or added requirements for other types of service and/or commodities.

19. Inquiries. Inquiries may be referred to: Commander, Military Traffic Management Command, ATTN: MTOP-QQ, 5611 Columbia Pike, Falls Church, VA 22041-5050.

20. Carrier Acknowledgment and Acceptance. The certifying carrier official agrees to ensure that the appropriate company officials and employees are familiar with the requirements, terms, and conditions of this Agreement and are in full compliance with the applicable provisions herein. Any information found to be falsely represented in the Motor Carrier Qualification Form, the attachments or during the qualification procedures, to include additional requirements of this Agreement, shall be grounds for automatic revocation of this Agreement and immediate non-use of the carrier, the affiliated companies, divisions and entities.

I, _____
(Typed Name and Title of Carrier Official)
verify under penalty of perjury under the laws of the United States of America, that the information contained in the carrier qualification application packet and this Agreement is true, correct and complete. If representing a company or organization, I certify that I am qualified and authorized to offer this information. I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. 1001 by up to 5 years imprisonment and fines up to \$10,000 for each offense, or punishable as perjury under 18 U.S.C. 1621 by fines up to \$2,000 or imprisonment up to 5 years for each offense. Further I understand the requirements of this Agreement and on behalf of

(Typed Name of Carrier and MC Number)
agree to comply with the terms and conditions contained herein. Signature of Carrier Official and Title

Date

Carrier Address

Telephone number

24 hr Emergency Number
(_____, _____) Interstate Operating
Authority Certificate Number—MC

Intrastate Operating Authority

4. Appendix C to part 619 is revised as follows:

Appendix C to Part 619—Agreement Between the Military Traffic Management Command and Motor Common Carriers Governing the Transportation of Hazardous Material Other Than Class A and B Explosives for and on Behalf of the U.S. Department of Defense.

1. I, the undersigned, who is duly authorized and empowered to act on behalf

of

hereinafter called the carrier to transport hazardous materials, (other than class A and B explosives), as defined in 49 Code of Federal Regulations (CFR) 172.3. Hazardous commodities in bulk include, but not limited to, such items as gasoline, kerosene, lubricating oil, turbine fuel and fuel oil, for the account for the DOD and the Military Traffic Management Command (MTMC), hereinafter called the Government, agrees to comply with all additional requirements, terms and conditions as set forth in this Agreement. If the carrier wishes to participate in DOD traffic, which requires a protective service, the carrier must also be a party to and in full compliance with requirements contained in the Agreement governing shipments which required a Transportation Protective Service (TPS). Noncompliance by the carrier with any provision of this or any other Agreement it is a party to will be sufficient grounds for immediate revocation of the carrier's approval to participate in the movement of hazardous materials. This carrier may also be subject to further action under the carrier Performance Program, governed by MTMC Regulation 15-1, which could result in nationwide disqualification on all DOD freight shipments.

2. Approval and Revocation. a. Carrier understands that its initial approval and retention of approval are contingent upon establishing and maintaining to MTMC's satisfaction, sufficient resources to support its proposed scope of operations and services. Sufficient resources include equipment, personnel, facilities, and finances to handle traffic anticipated by DOD/MTMC under the carrier's proposed scope of operations in accordance with the service requirements of the shipper.

b. The carrier understands that MTMC may revoke approval at any time upon discovery of grounds for ineligibility or disqualification. The carrier further understands that it is not authorized to submit tenders for shipments requiring a TPS until it has served DOD in an approved status for 12 continuous months. Prior to being allowed to handle shipments which require a TPS or class A and B explosives, the carrier must first meet any additional requirements in effect at that time.

c. In addition to the initial evaluation, the carrier agrees that it will cooperate with MTMC follow-up evaluations at any time subsequent to signing this agreement to confirm continued eligibility.

d. The carrier certifies that neither the owners, company, corporate officials, nor any affiliation or subsidiary thereof are currently debarred or suspended, disqualified by a MTMC General Freight Board, or placed in non-use by MTMC from doing business with DOD.

3. Lawful Performance. a. Carrier agrees to comply with all applicable Federal, State, municipal, and other local law and regulations governing the safe, proper, and lawful operation of motor vehicles, to include Title 49 Code of Federal Regulations (CFR) 177 and 386 through 397. Provisions for exempt intricate operations as defined in

49 CFR will not apply to the transportation of explosives for the DOD. Intrastate carriers are required to comply with all applicable state or federal regulations, whichever are more stringent.

b. No fines, charges, or assessments for overloaded vehicles or other violations of applicable laws and regulations will be passed to or be paid by any agency of the Federal Government.

4. Operating Authority. Carrier agrees to maintain valid Motor Common Carrier operating certificates for its scope of operations which is not restricted against the handling and transport of hazardous materials or ammunition and explosives, class A and B. Any carrier found to be involved in brokerage, as defined by the Interstate Commerce Commission (ICC), of DOD freight traffic will have its approval revoked.

5. Insurance. a. Minimum public liability insurance requirements are prescribed in title 49 of the Code of Federal Regulations (CFR) 387.9. Carrier agrees to ensure that the ICC is provided proof of their public liability insurance, in the form of a BMC 91 or 91-X, or MCS 90, in accordance with sections 29 and 30 of the Motor Carrier Act of 1980. Further, the Motor carrier agrees to provide MTMC with a certificate of insurance form. The certificate holder block of the form will indicate that MTMC, ATTN: MTOP-QQ, will be notified in writing, 30 days in advance of any change or cancellation. The deductible portion will be shown on the certificate. The insurance underwriter must have a policy holder's rating in the Best's Insurance Guide, listed in the Fiscal Service Treasury Department Circular 570, Listing of surety companies.

b. The carrier agrees to also file with MTMC proof of:

(1) Interstate Public Liability. Carrier will ensure that its insurance company(s) file with MTMC proof of public liability and property damage insurance for the transportation of hazardous commodities in the minimum and amounts prescribed in 49 CFR 387.9.

(2) Intrastate Public Liability. Carrier will ensure that its insurance company(s) file with MTMC proof of insurance which meets the estate requirements for public liability and property damage for the transportation of hazardous materials.

(3) Cargo Insurance. Carrier will also file with MTMC proof of \$150,000 per incident minimum cargo insurance for loss and bulk fuel which is set at \$10,000.

c. The insurance, carried in the name of the carrier, will be in force at all times while this Agreement is in effect or until such time as the carrier cancels all tenders. The carrier agrees to ensure that the policies include a provision requiring the insurer to notify MTMC prior to any performance of service by the carrier. Changes, renewals, and cancellation notices must be also sent to: MTMC, ATTN: MTOP-QQ. This requirement applies to both interstate and intrastate carriers. Carrier's insurance policy(s) must cover all equipment used to transport DOD freight.

6. Performance Bond. a. Carrier agrees to provide MTMC with a Performance Bond.

The bond secures performance and fulfillment of the carrier obligation to deliver DOD freight to destination. It will cover DOD procurement costs as a result of carrier default, abandoned shipments, or bankruptcy by the carrier. The bond will not be utilized for operational problems such as late pick up or delivery, excessive transit time, refusals, no shows, improper/inadequate equipment or claims for lost or damaged cargo. The bond must be issued by a surety company listed in the Fiscal Service Treasury Department Circular No. 570. The bond must be completed on the form provided by MTMC. The bond will be continuous until canceled. MTMC will be notified in writing, 30 days in advance of any change or cancellation. A letter of intent, by the surety company, is required with the initial application package. Upon MTMC approval, the carrier agrees to submit the performance bond before the Tender of Service will be accepted.

b. The sum of the bond will be determined as follows:

(1) Carriers having done business in their own name with DOD for 3 years or more will be required to submit a Performance Bond in the amount of 2.5% of their total DOD revenue, taken from the Freight Information Systems Report (FINS), for the previous 12-months, not to exceed \$100,000 and not less than \$10,000.

(2) New carriers and those carriers having done business in their own name with the DOD for less than 3 years will be required to submit a Performance Bond based on areas of service they offer. Areas of service will be computed as both origins and destinations served.

1 state (including intrastate)—\$10,000;

2 to 3 states—\$50,000; and

4 or more states—\$100,000.

(3) Once a carrier has been doing business with the DOD for 3 years, their bond requirement will change from areas of service to percent revenue.

c. Bulk fuel carriers will be required to submit a \$10,000 performance bond.

d. Local drayage and commercial zone carriers are exempt from the bond requirement.

e. If carrier has secured the performance bond as a result of qualifying under the general commodity program or class A and B program, no additional performance bond is required.

7. Safety and Security. a. A

"unsatisfactory" safety rating with the Federal Highway Administration, Department of Transportation, and/or with the appropriate state agency or commission in the case of intrastate. Safety ratings which are "unsatisfactory," "unconditional," "insufficient information," or "not rated" will not be accepted. The carrier agrees to permit unannounced safety inspections of its facilities, terminals, equipment, employees, and procedures by DOD civilian, military personnel, or DOD contract employees, inspection. Inspection of carrier equipment, drivers' records, route plans and inspection reports will be permitted during both the pickup and delivery of shipments and in coordination with local police or other authorities while in transit. Carrier also agrees to allow inspection of carrier records

and individual driver qualification files. When requested, carrier agrees to provide adequate evidence of an active driver safety, security training and evaluation program. Carrier agrees to furnish, on request, driver's Social Security Numbers to verify their security clearances and allow for inspection of carrier/driver records.

b. The carrier agrees to have in place a company-wide safety and security management program which includes specific on-going safety and security programs for each terminal location. Individual terminal programs will encompass planning and execution of safety and security in routine operations, to include emergency responders and planners, and with the local police and fire authority. Carrier programs will incorporate compliance with all applicable Federal, State and local statutes or requirements. Conformance with other safety standards, such as NFPA Code 498, will be accomplished as much as possible, with compensating measures for deviations. Safety and security programs at the company wide or terminal level may be subject to evaluation by a DOD representative.

c. The carrier agrees to notify, within a reasonable period of time, the consignor and consignee names by the Government Bill of Lading (GBL) of cargo loss, damage, or unusual delay. Carrier also agrees to notify the consignor or consignee named on the GBL immediately by telephone of an accident, incident or significant delay. The information to be reported will include origin/destination, GBL number, shipping paper information, time and place of occurrence and other pertinent accident details. Carriers agree to notify the MTMC area command annotated on the GBL and the Defense Logistics Agency (DLA), within one half (1/2) hour after notification of the consignor and consignee, and provide status updates as required. The MTMC HOTLINE and AOC telephone numbers are as follows:

—Eastern Area: (800) 524-0331; New Jersey only: (800) 624-1361
—Western Area: (800) 331-1822; California only: (800) 348-4639
—DLA: (800) 851-8061

When requested, carrier agrees to furnish MTMC a copy of accident reports submitted to Department of Transportation on Form MCS 50-T (Property) or MCS 50-B (Passengers) when DOD classes A and B explosives movements are involved.

d. Carrier agrees to provide the driver(s) transporting protected commodities an emergency telephone number (indicated on the last page of this Agreement) which, when used at any time (24-hours a day, 7 days a week), will reach a qualified carrier representative who will be able to provide information and assistance. MTMC will be immediately notified if this telephone number is changed. Carrier also agrees to equip the vehicle transporting the material with communications equipment (citizens band radio, mobile phone, etc.) capable of being used to obtain assistance in an emergency.

e. Carriers approved to transport DOD hazardous materials requiring TPS agree that no driver disqualified under 49 CFR 391.15 will be permitted to operate any vehicle transporting such commodities.

f. Carriers approved to transport DOD hazardous materials agree to ensure that drivers of a motor vehicle transporting such drivers of motor vehicle transporting such commodities must undergo a physical examination and must be certified physically qualified to drive a commercial motor vehicle in accordance with 49 CFR 391.43. Carrier also agrees to have driver screening programs in place to ensure that the provisions of this paragraph are met.

8. Drivers Requirement. a. Driver agrees to ensure that the driver(s) employed to transport hazardous commodities driving experience (using similar equipment prior to transporting hazardous commodities, and that its drivers are trained and competent in the movement of these commodities to include an understanding of the following: 49 CFR part 397, instructions on procedures to be followed in the event of a delay, nature of the materials being transported, precautions to be taken in an emergency; written route plans; and shipping paper entries. The carrier will certify that the driver is trained and competent in the movement of hazardous commodities, and proof of certification must be carrier in the vehicle of the unit transporting these commodities.

b. The carrier agrees to further ensure that driver(s) carry a valid commercial motor vehicle operator's license issued by his/her state of domicile, a certificate of physical examination issued during the preceding 24 months, and an employee record card, or similar document, one of which must contain the driver's photograph. The driver(s) must be 21 years of age. The driver(s) must carry a company picture identification to verify affiliation with the carrier named on the GBL.

9. Equipment. a. Trip leased equipment, with or without drivers, will not be used to transport hazardous materials for the account of the DOD. Exceptions for the use of intermittent or occasional drivers in 49 CFR 391.63 will not apply to any DOD movement. Any equipment, with or without drivers, leased to augment carrier-owned equipment will be on a not less than 90-day noncancellable basis.

b. A copy of the equipment lease agreement must be carried in the vehicle of the unit transporting these commodities. (Facsimile, Xerox, or otherwise reproduced copies are not acceptable.) Interchange agreements which originate at origin will be considered trip leases and will not be accepted. The lease must be complete at time of pick up and should require no further information to be completed by the driver. Failure to comply with this requirement or attempted abuse of this requirement could result in the carrier's participation in this type traffic to be immediately revoked and up to a nationwide disqualification on all DOD freight shipments should further action under the Carrier Performance Program be deemed appropriate.

c. Carriers approved to transport DOD hazardous material requiring TPS agree to comply with all equipment requirements contained in paragraph 8 of the Agreement Between the Military Traffic Management Command and Motor Carriers Governing the Transportation of Shipments Which Require a Transportation Protective Service for and on behalf of the U.S. Department of Defense.

10. Shipment. a. Carrier is responsible for shipments from origin to ultimate destination. The carrier also remains responsible for shipments placed in a safe haven or refuge location. Carrier agrees not to disclose any information to unauthorized persons concerning the nature, kind, quantity, destination, consignee or routing of any hazardous material shipment tendered to it. The carrier further agrees to provide, at no additional cost to the Government, the status of any shipment within 24-hours after an inquiry is made.

b. Carrier agrees to ensure that shipper-provided placards are displayed in accordance with the general requirements found in 49 CFR 172.504 for the transportation of hazardous materials. The carrier further agrees to conform to the requirements found in 49 CFR 177.825 pertaining to the transportation of radioactive materials for which placarding is required. Carrier also agrees to route all other shipments of hazardous commodities in accordance with the provisions of 49 CFR 397.9.

c. When requested by the shipper for reasons of security, carrier agrees to cover the shipment with a carrier-provided tarpaulin. Protective tarping is an accessorial service.

d. Carriers approved to transport DOD hazardous materials requiring TPS agree to comply with all shipment requirements contained in paragraph 9 of the Agreement Between the Military Traffic Management Command and Motor Common Carriers Governing the Transportation of Shipments Which Require a Transportation Protective Service (TPS) for and on behalf of the U.S. Department of Defense.

11. Documentation. a. The carrier agrees to accept GBLs on which freight charges will be paid by the Government, and bound by all terms stated on the Standard Form (SF)-1103, GBL, regardless of the type of bill of lading tendered.

b. The carrier will comply with the documentation prelude procedures in effect at Military Ocean Terminals or the installation, when cargo is consigned for further movement overseas. (Prelodging is the submission of advance shipment documents which identifies the shipment to the Military Ocean Terminal prior to delivery of the cargo at the terminal.) Instructions will be provided by the consignor to furnish certain data at least 24-hours in advance of cargo delivery to the terminal.

12. Loss or Damage. The carrier agrees to be liable for loss or damage to cargo in accordance with the provisions of 49 U.S.C. 11707 (the Carmack Amendment to the Interstate Commerce Act.) Carrier agrees to promptly settle uncontested claims for loss or damage.

13. Standard Tender of Service. a. The carrier agrees to comply with the preparation and filing instructions in applicable freight traffic rules publications issued by MTMC. Carrier understands that MTMC will reject tenders not in compliance with these instructions.

b. Carrier agrees to provide a street address where the company office is located in lieu of post office box number. Carrier agrees to provide the address prior to or in conjunction

with submission of any tenders or other rate schedules. The carrier agrees to also advise MTMC of any change in address prior to the effective date of the change. Failure to do so is grounds to discontinue use of the carriers.

c. Carrier understands that tenders inadvertently accepted and distributed for use and not in compliance with this agreement, the provisions contained in the Standard Tender of Freight Services (MT Form 364-R), or the application MNC Freight Traffic Rules Publication, and supplements thereof, will be subject to immediate removal or non-use until corrections are made. The issuing carrier will be advised when tenders are removed under these circumstances.

14. Rates. a. Carrier agrees to transport shipments at the lowest tender rate specifically applicable to the department or agency involved.

b. The carrier's rates must be on file with MTMC, HQ Eastern Area, ATTN: MTE-IN, Bayonne, New Jersey 07002-5302. The carrier must publish all rates, charges, and accessorial services on a "Department of Defense Standard Tender of Freight Services" MT Form 364-R and must comply with the tender preparation instructions. (Only services annotated with a charge in the tender will be paid by the shipper.)

15. Carrier Performance. Carrier agrees that carrier's equipment, performance and status of service will conform with its obligations under Federal, State and local law and regulation as well as with the guidelines found in the Defense Traffic Management Regulation (DTMR) and this Agreement. The carrier fully understands its obligation to remain current in its knowledge of service standards. The carrier accepts the Government's right to revoke approval, declare ineligible, non-use, or disqualify the carrier for unsatisfactory service for any operating deficiency, noncompliance with the terms of this Agreement or terms of any negotiated agreements, tariffs, tenders, bills of lading or similar arrangements determining the relationship of the parties, or for the publication of unreasonable rates, charges, rules, descriptions, classifications, practices, or other unreasonable provisions of tariffs/tenders. Rules governing the Carrier Performance Program are found in MTMC Regulation 15-1, and Army Regulations 55-355 DTMR. If a carrier is removed or disqualified for 6 months or more, it will have to be re-qualified.

16. General Provisions. The carrier must possess a valid Standard Carrier Alpha Code (SCAC). When a company holding the appropriate authority has operating divisions, each with its own unique SCAC, each such division is required to execute a separate agreement with MTMC governing the transportation of protected commodities.

17. Terms of the Agreement. a. The terms of this Agreement will be applicable to each shipment.

b. This agreement shall be effective from the date of approval by MTMC, until terminated. Termination is effective upon receipt of written notice by either party.

c. Nothing in this Agreement will be construed as a guarantee, by the Government, of any particular volume of traffic.

d. The carrier agrees to immediately notify MTMC of any changes in ownership, in

affiliations, executive officers, and/or board members, and carrier name. Carrier understands that failure to notify MTMC shall be grounds for immediate revocation of the carrier's approval and their participation in the movement of DOD freight.

18. Additional Specialized Requirements. The terms of this Agreement will not prevent different or additional requirements with respect to negotiated agreements or added requirements for other types of service and/or commodities.

19. Inquiries. Inquiries may be referred to: Commander, MTMC, Attn: MTOP-QQ, Falls Church, Virginia 22041-5050.

20. Carrier Acknowledgment and Acceptance. The certifying carrier official agrees to ensure that the appropriate company officials and employees are familiar with the requirements, terms and conditions of this Agreement and are in full compliance with the applicable provisions herein. Any information found to be falsely represented in the Motor Carrier Qualification Form, the attachments or during the qualification procedures, to include additional requirements of this Agreement, shall be grounds for automatic revocation of this Agreement and immediate non-use of the carrier, the affiliated companies, division and entities, I,

verify under penalty of perjury under the laws of the United States of America, that the information contained in the carrier qualification application packet and this Agreement is true, correct and complete. If representing a company or organization, I certify that I am qualified and authorized to offer this information. I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. 1001 by up to 5 years imprisonment and fines up to \$10,000 for each offense, or punishable as perjury under 18 U.S.C. 1621 by fines up to \$2,000 or imprisonment up to 5 years for each offense. Further, I understand the requirements of this Agreement and on behalf of:

(Typed Name of Carrier and MC Number)
agree to comply with the terms and conditions contained herein.

(Signature of Carrier Official and Title)

Signature of Agent Official and Title:

Date: _____

Address: _____

Telephone Number: (_____) _____

24-Hr Emergency Number: _____
(_____)

Interstate Operating Authority Certificate Number—MC: _____

Intrastate Operating Authority: _____

Certificate Number(s) Include: _____

Issuing State—For Example: _____

PA—#12345

Military Traffic Management Command

Acknowledgment/Acceptance

Signature and Title:

Date Approved: _____

Gregory D. Showalter,

Army Federal Register Liaison Officer.

[FR Doc. 96-16147 Filed 6-26-96; 8:45 am]

BILLING CODE 3710-08-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[GA-30-3-9615b; FRL-5519-1]

Approval and Promulgation of Implementation Plans; Approval of Revisions to the State Implementation Plan; Georgia

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA is approving the State Implementation Plan (SIP) revision submitted by the State of Georgia through the Department of Natural Resources, Environmental Protection Division (GA EPD) for the purpose of deleting the volatile organic compound (VOC) reasonably available control technology (RACT) rule for Perchloroethylene Dry Cleaners. In the final rules section of this Federal Register, the EPA is approving the State's SIP revision as a direct final rule without prior proposal because the Agency views this as a noncontroversial revision amendment and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to that direct final rule, no further activity is contemplated in relation to this proposed rule. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. The EPA will not institute a second comment period on this document. Any parties interested in commenting on this document should do so at this time.

DATES: To be considered, comments must be received by July 29, 1996.

ADDRESSES: Written comments on this action should be addressed to Scott M. Martin at the EPA Regional Office listed below.

Copies of the documents relative to this action are available for public inspection during normal business hours at the following locations. The interested persons wanting to examine these documents should make an appointment with the appropriate office at least 24 hours before the visiting day.