

247.573 General.

(a) *Delegated authority.* Pursuant to 10 U.S.C. 2631(a) and Secretary of Defense Memorandum dated February 7, 2012, (see PGI [247.573](#)) the authority to make determinations of excessive ocean liner rates and excessive charter rates is delegated to—

(1) The Commander, United States Transportation Command, for excessive ocean liner rate determinations; and

(2) The Secretary of the Navy for excessive charter rate determinations.

(b) *Procedures.*

(1) Contracting officers shall follow the procedures at PGI [247.573](#) (b)(1) when purchase of ocean transportation services is incidental to a contract for supplies, services, or construction.

(2) Contracting officers shall follow the procedures at PGI [247.573](#) (b)(2) when direct purchase of ocean transportation services is the principal purpose of the contract.

(3) Agency and department procedures relating to annual reporting requirements of information received from offerors in response to solicitation provision [252.247-7026](#) , Evaluation Preference for Use of Domestic Shipyards—Applicable to Acquisition of Carriage by Vessel for DoD Cargo in the Coastwise of Noncontiguous Trade, are found at PGI [247.573](#) (b)(3).

(4) Procedures are provided at PGI [247.573](#) (b)(4) to accomplish security background checks pursuant to clause [252.247-7027](#) , Riding Gang Member Requirements.

Parent topic: [Subpart 247.5 - OCEAN TRANSPORTATION BY U.S.-FLAG VESSELS](#)