

GSA Household Goods Relocation and Freight Committee Meeting  
490 L'Enfant Plaza East  
May 24, 2005

Meeting Facilitator – Scott Tiedt, GSA Transportation Programs Branch, Travel and Transportation Management Division

Scott opened the meeting and welcomed the attendees.

Hazardous Materials – Ryan Paquet, P.G., Department of Transportation, Federal Motor Carrier Safety Administration

Ryan's presentation covered the various hazard classes and requirements. The 49 CFR 172.200 outlines what is required on shipping papers and DOT requires certification to be renewed every three years. For more information, see <http://hazmat.dot.gov>.

Household Goods Tariff Adjustment – Joe Harrison, American Moving and Storage Association

**Item 40** – The Household Goods Carriers' Bureau Committee (HGCBC) has approved a measure to establish Item 40, a General Price Adjustment (GPA) in the Tariff 415-G. This item would provide a mechanism for an annual general adjustment in rates based on two government indices. At the last committee meeting (March 17, 2005), a poll was taken with 15 "no" and 0 "yes" votes for the automatic adjustment. Joe Harrison provided additional details on this issue to the committee. Industry has already implemented the automatic adjustment to their tariff, 400N, and their last three previous increases were: 1.3% (2005), 2.2% (2004) and 3.2% (2003).

A question was asked, "Why don't the Transportation Service Providers (TSPs) decrease their discounts" (instead of adjusting the tariff)? Joe stated that the GPA covers general costs of doing business. TSPs cannot account for these costs in their rate bid. If TSPs decrease their discounts, they may not be as competitive when compared to other TSPs which could reduce their business volume to gain market share. Additionally if rates are too low, then TSPs may choose to accept other higher paying shipments, thus impacting the number of TSPs willing to transport government shipments due to equipment shortages and the quality of service available to federal agencies. Bill Bardwell (VA) added that the tariff adjustments are really not that high (roughly half) once the discounts are factored in.

Kim Chancellor (GSA Kansas City Program Office) suggested a trial basis of 3-4 years. Joe agreed that it could be tested with a specific expiration date.

A vote was taken with 9 "yes – agree with automatic adjustment" and 0 "no – disagree with automatic adjustment." There were two "yes" with comments. Further discussion stated the annual adjustment would be automatic with the committee having the option to review/discuss the adjustment at the next open committee meeting following

notification by AMSA. The committee will be notified by AMSA through GSA every October with the GPA percentage adjustment projected to take effect the following May 1. Joe cited the anomaly that occurred in 1995 when paper increased 75 percent which caused a rate increase in the industry to the packing service baseline only. An adjustment to a single service baseline rate such as the one that took place in 1995 would still require committee approval.

GSA will notify AMSA in writing of the consensus to the automatic adjustment. A copy will be given out at the next committee meeting. The automatic adjustment will not take effect until May 2006 (a 2% increase has already been approved beginning May 2005).

Proposed Rules Changes to the Federal Management Regulations, SF1113 and Data Collection – Beth Allison, GSA, Office of Governmentwide Policy (OGP)

OGP reorganized and Beth will no longer be the point of contact for Transportation Policy. The new point of contact will be Ed Davis. Beth will follow-up on outstanding transportation actions she initiated.

**Proposed Rules Changes to the Federal Management Regulations (FMR) –** A Federal Register notice was released on May 4, 2005 (Vol 70, No.85) requesting comments to amend the Federal Management Regulation to add the requirement that transportation managers who obligate the Government for rate tender procurements must be properly authorized in writing. This written authorization will certify that the transportation manager is competent and trained in transportation management and has the authority to commit Government funds for the procurement of transportation or transportation services. The requirements may be tailored to meet stricter agency guidelines.

For those already handling such responsibilities, the supervisor may provide authorization and note their previous experience. Continuing education classes will probably be required later but it is not in the current proposal.

Comments may be submitted via the web: <http://www.regulations.gov> no later than July 5, 2005. Consider how this amendment would apply to you and affect the transportation profession. Beth encourages everyone to respond to this issue and share their views on the proposed rule.

**SF1113, Public Voucher for Transportation Charges** - The SF1113 will be eliminated. It has gone through the red border process and the final rule should be published in the Federal Register this summer.

**Data Collection** – An amendment to the FMR to require transportation data to be collected is currently at the Office of Management and Budget (OMB). The amendment will probably be published this summer and the committee will be notified when it's ready.

## Household Goods International Rate Tables and Unaccompanied Air Baggage Fuel Surcharge – Kim Chancellor, GSA Kansas City

**International Rate Tables** – At the last committee meeting, Brian Kellhofer mentioned that the CHAMP Household Goods Tender of Service international rate tables haven't changed for several years. Some rates indicate discounts ranging from 300 to 400 percent and higher. The baseline rates need aligning to reflect more realistic percentages. An alignment would not impact rates paid by the Federal agency. GSA is still working with the Household Goods Forwarders Association of America to establish baselines.

**Unaccompanied Air Baggage (UAB) Fuel Surcharge** – CHAMP currently does not permit a fuel surcharge for UAB shipments. A fuel surcharge is currently allowed for bunker fuel charges (ocean) and domestic line haul. CHAMP TSPs have approached the GSA Transportation Program Office requesting consideration for fuel surcharge provisions against UAB shipments due to increased air carrier levied fuel surcharges. The Department of Defense (DoD) allows a UAB fuel surcharge as a pass through charge on the billing invoice.

A vote was taken with 4 “yes – agree with the fuel surcharge,” 1 “no – disagree with the fuel surcharge,” 1 “no- have Standing Route Order (not apply)” and 1 “defer.”

This change will take effect November 1, 2005.

## Pre-Payment Audit Steps – Jim Fitzgerald, GSA Audits Division

Jim Fitzgerald provided phone numbers, email addresses and the website for Pre-Payment Audit information. Anyone having concerns should contact his office.

<http://www.gsa.gov>

Highlight Services and then click on Transportation Audits. In the middle of the next page, click on the link for “prepayment audits.”

James Fitzgerald, 202-501-3000; [james.fitzgerald@gsa.gov](mailto:james.fitzgerald@gsa.gov)

Deborah Crockett, 202-501-3500; [deborah.crockett@gsa.gov](mailto:deborah.crockett@gsa.gov)

## Additional Topics

**GRAB (Governmentwide Relocation Advisory Board)** – Next meeting May 25, 2005. Tauna highly recommended that all participate since GRAB recommendations could later change the government's relocations programs. The GRAB meeting's agenda was distributed.

**Complete Shipment Module** – Released April 29, 2005. This module allows TSPs to input shipment delivery information. Check the TMSS website ([www.moveit.gsa.gov](http://www.moveit.gsa.gov)) for training dates.

**Freight Truckload and Fuel Surcharge** – Scott mentioned an amendment to Chapter 137 of title 49, United States Code by adding at the end of 13714. Fuel Surcharge that any contract or agreement, providing for truckload transportation or services involving a motor carrier, broker, or freight forwarder subject to jurisdiction under chapter 135 of this title that regularly provided such transportation or services, shall include a requirement that the payer of transportation charges pay a fuel surcharge that is no less than the amount of the Increased Cost of Fuel as determined under Section (c). The American Trucking Association (ATA) does not agree with this issue stating this requirement takes the industry a step back into regulation.

**US Flag/Foreign Flag Cargo** – Scott mentioned that any time a Foreign Flag Carrier is needed; approval must first be received from the Maritime Administration (MARAD).

**GSA CHAMP Analysis** – Tauna informed the committee that a contractor will be hired to analyze CHAMP and benchmark it against other programs. Committee member names will be given to the contractor to gather information.

**2006 AMSA & GSA Household Goods and Freight Forum**

The 2006 forum will be held February 22 – 24, 2006 in Anaheim, California. The event's location is the Hyatt Regency Orange County. Watch for additional information on this premier transportation training opportunity.

The next meeting is scheduled for Wednesday, August 3, 2005 in Crystal City, Virginia.

The meeting adjourned at 12:20 p.m.

## Attendees

No.	NAME	AGENCY
1	Dina McJunckins	DHS/CBP
2	Alicia Jackson	NIH
3	Bert Simon	USGS
4	G. Marandino	DoS
5	Beatrice Gaither	SSA
6	Ken Martin	SSA
7	Jakob Evans	FBI
8	Pat Estep	BBC
9	Tamera Joy	FAA
10	Jeremy Crochiere	USPS
11	Shawn Griffin	DoS
12	John Wheeler	GSA
13	Kim Chancellor	GSA
14	Kelley Wong	FAA
15	Ryan Paquet	DOT
16	Bill Fouts	DHS/CBP
17	Noreen Bania	GSA
18	Willie Rawls	USDA/NRCS
19	Ardella Bush	SSA
20	Elaine Plotkin	USDA
21	Vikki Beaty	USDA/FSIS
22	Bill Bardwell	VA
23	Deborah Crockett	GSA
24	James Fitzgerald	GSA/FSS
25	Elizabeth Allison	GSA/OGP
26	Larry Baranski	DOT/FAA
27	Lynn Ju	GSA
28	Dan Garcia	BBG
29	Connie Lindsey	FAA
30	Scott Michael	AMSA
31	Joe Harrison	AMSA
32	Tauna Delmonico	GSA
33	Scott Tiedt	GSA
34	Raymond Price	GSA
35	Mathis Garner	GSA
36	Mary Anne Sykes	GSA