

delivery date; and (b) where the consignee's installation and related facilities preclude or are not conducive to service by all modes of transportation. (See also § 101.40.303-1.)

§ 101-40.103-2 International transportation.

(See § 1-1.323 of this title and 4 CFR 52.2 for a certificate required for non-use of U.S.-flag vessels or U.S.-flag certificated air carriers.)

(a) *U.S.-flag ocean carriers.* Arrangements for international ocean transportation services by privately owned U.S.-flag vessels shall be made in accordance with the provisions of section 901(b) of the Merchant Marine Act of 1936, as amended by the Cargo Preference Act of 1954, 46 U.S.C. 1241(b). (See also 48 CFR subpart 47.5.)

(b) *U.S.-flag air carriers.* Arrangements for international air transportation services shall be made in accordance with the so-called Fly America Act, as enacted by section 5 of the International Fair Competitive Practices Act of 1974, Public Law 93-623, January 3, 1975, as amended by section 21 of the International Air Transportation Competition Act of 1979, Public Law 96-192, February 15, 1980 (49 U.S.C. 1517). These acts require the use of U.S.-flag air carriers for international movement of property to the extent that services by these carriers are available. (See also 48 CFR subpart 47.4.)

[45 FR 85752, Dec. 30, 1980, as amended at 51 FR 24331, July 3, 1986; 52 FR 21032, June 4, 1987]

§ 101-40.103-3 Coastwise transportation.

As stated in 46 U.S.C. 883, no merchandise shall be transported by water, or by land and water, between points in the United States, including Districts, Territories, and possessions thereof embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any other vessel than a vessel built in and documented under laws of the United States and owned by persons who are citizens of the United States or vessels to which the privilege of engaging in coastwise trade is extended by sections 13 and 808 of title 46 of the

United States Code. There are exceptions and limitations to this basic provision, especially with regard to the United States island territories and possessions in the Atlantic and Pacific Oceans. (For example, see 46 U.S.C. 877 relative to the Virgin Islands; 48 U.S.C. 1664 relative to American Samoa; and Presidential Proclamation 3215, December 12, 1957, relative to Canton Island.) Agencies shall comply with the current U.S. coastwise laws and any amendments to them. The Secretary of Treasury is empowered to impose monetary penalties against agencies which violate the coastwise laws.

[52 FR 21032, June 4, 1987]

§ 101-40.104 Insurance against transportation hazards.

The policy of the Government with respect to insurance of its property while in the possession of commercial carriers is set forth in 48 CFR 47.102.

[52 FR 21032, June 4, 1987]

§ 101-40.105 Use of Government-owned transportation equipment.

Generally, the preferred method of transporting property for the Government is through use of the facilities and services of commercial carriers. However, under certain circumstances, Government vehicles may be used when they are available. They may be used for such purposes as local transfer of property, pickup or delivery services which are not performed by the commercial carriers in connection with the line-haul transportation, transportation of property to meet emergencies, and accomplishment of program objectives which cannot be attained through use of commercial carriers.

§ 101-40.106 Reports.

Subject to the provisions of 41 CFR 201-45.6, each executive agency shall submit reports concerning its transportation procedures, practices, and operations to the GSA Central Office when requested.

[51 FR 24332, July 3, 1986]

§ 101-40.107 Surveys.

As necessary and after adequate advance notice to the agencies affected,