MEMORANDUM FOR: SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DIRECTOR OF ADMINISTRATION AND MANAGEMENT
EXECUTIVE SECRETARY OF THE DEPARTMENT OF DEFENSE

SUBJECT: Strengthening Department of Defense Transportation Functions

In light of changes in the world situation and reduced resources devoted to the national defense, the Department of Defense is moving to a smaller, but highly trained, well-equipped and mobile military force. The national security strategy depends heavily upon our ability to transport personnel and materiel. To strengthen the Department's ability to carry out its transportation missions effectively and efficiently, this is to direct as follows:

1. Mission. The mission of the Commander in Chief of the United States Transportation Command (CINCTRANS) shall be to provide air, land, and sea transportation for the Department of Defense, both in time of peace and time of war.

2. Forces and Authority. The Secretaries of the Military Departments, after coordination with the Chairman of the Joint Chiefs of Staff, shall (a) assign the Military Traffic Management Command of the Department of the Army, the Military Sealift Command of the Department of the Navy, and the Air Mobility Command (or the Military Airlift Command until the Air Mobility Command is established) of the Department of the Air Force, in time of peace and time of war, to CINCTRANS under CINCTRANS combatant command, and (b) shall assign all transportation assets of their Departments to CINCTRANS under CINCTRANS combatant command, except that they may withhold assignment of service-unique or theater-assigned transportation assets. The authority and duty to organize, train, and equip forces for assignment to CINCTRANS, and the associated programming and budgeting functions, shall remain with the Secretaries of the Military Departments. CINCTRANS shall be the DOD single manager for transportation other than service-unique or theater-assigned transportation assets. CINCTRANS may provide management support for service-unique or theater-assigned transportation assets to the Secretaries of the Military Departments and the commanders of unified or specified commands. CINCTRANS is hereby delegated authority to (a) procure commercial transportation services (including lease of transportation assets) in accordance with applicable law as necessary to carry out the mission of CINCTRANS and (b) to activate, with the approval of the Secretary of Defense, the Civil Reserve Air Fleet, the Ready Reserve Force, and the Sealift Readiness Program. CINCTRANS shall, subject to such instructions as the Comptroller of the Department of Defense may issue after coordination with appropriate departmental officials (including instructions relating to funding of operations of service-unique or theater-assigned transportation assets), control the transportation accounts of the Defense Business Operations Fund.
3. Transportation Requirements. The Chairman of the Joint Chiefs of Staff, after coordination with the Assistant Secretary of Defense for Production and Logistics, the Commander in Chief of the Transportation Command, and such other departmental officials as may be appropriate, shall submit to me for approval procedures for the submission of transportation movement requirements to CINCTRANS.

4. Movement Priorities. The Chairman of the Joint Chiefs of Staff, after coordination with the Assistant Secretary of Defense for Production and Logistics, CINCTRANS, and such other departmental officials as may be appropriate, shall submit to me for approval any changes to the transportation movement priority system necessary to ensure its responsiveness to the commanders of the unified and specified commands and other DOD components requiring transportation services.

5. Administrative Adjustments. CINCTRANS shall submit to me, through the Chairman of the Joint Chiefs of Staff, the Assistant Secretary of Defense for Production and Logistics, and other departmental officials as appropriate, for approval any changes to transportation, fiscal, procurement or other DOD policies that may be appropriate to implement this memorandum.

6. Service-Unique or Theater-Assigned Transportation Assets. For purposes of this memorandum, the term "service-unique or theater-assigned transportation assets" means transportation assets that are:

(a) assigned to a Military Department for functions of the Secretaries of the Military Departments set forth in Sections 3013(b), 5013(b), and 8013(h) of Title 10 of the United States Code, including administrative functions (such as motor pools), intelligence functions, training functions, and maintenance functions;

(b) assigned to the Department of the Army for the execution of the missions of the Army Corps of Engineers;

(c) assigned to the Department of the Navy as the special mission support force of missile range instrumentation ships, ocean survey ships, cable ships, oceanographic research ships, acoustic research ships, and naval test support ships; the naval fleet auxiliary force of fleet ammunition ships, submarine surveillance ships, fleet stores ships, fleet ocean tugs, submarine ballistic missile support ships, and fleet oilers; hospital ships; Marine Corps intermediate maintenance activity ships; Marine Corps helicopter support to senior Federal officials; and, prior to initial discharge of cargo, maritime prepositioning ships;

(d) assigned to the Department of the Air Force for search and rescue, weather reconnaissance, audiovisual services, and aeromedical evacuation functions, and transportation of senior Federal officials; or

(e) assigned for combatant command to a commander of a unified or specified command (including the Special Operations Command) other than CINCTRANS.

This memorandum supersedes existing DOD Directives (including Directive 4500.9) and guidance to the extent of any inconsistency. Department of Defense Directives
5160.2, 5160.10, and 5160.53 (relating to single manager assignments) are rescinded. Nothing in this memorandum shall affect the authority of the Assistant Secretary of Defense for Legislative Affairs with respect to Congressional travel support. The Chairman of the Joint Chiefs of Staff, after coordination with other departmental officials as appropriate, shall prepare changes to the Unified Command Plan that are consistent with this memorandum.

The Director of Administration and Management, in coordination with the Secretaries of the Military Departments, the Chairman of the Joint Chiefs of Staff, the Assistant Secretary of Defense for Production and Logistics, and other departmental officials as appropriate, shall ensure the preparation for approval of directives and revisions to directives to incorporate the substance of this memorandum in the DOD Directives System.

Paragraphs 1 through 6 of this memorandum shall take effect upon approval by the President of the next revision of the Unified Command Plan. The Secretaries of the Military Departments, the Chairman of the Joint Chiefs of Staff, and CINCTRANS shall accomplish the tasks assigned to them by paragraphs 1 through 6 within 90 days of the President’s approval of the Unified Command Plan. Planning to implement paragraphs 1 through 6 shall proceed immediately.
MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
ASSISTANT SECRETARIES OF DEFENSE
COMPTROLLER
GENERAL COUNSEL
INSPECTOR GENERAL
DIRECTOR, OPERATIONAL TEST AND EVALUATION
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES
COMMANDERS OF THE UNIFIED COMMANDS

SUBJECT: Policy Memorandum on Transportation and Traffic Management

The partnership between the Department of Defense (DoD) and U.S. civil air carriers is critical to our ability to mobilize, deploy, and sustain our forces. This alliance is embodied in the Civil Reserve Air Fleet (CRAF) program which provides for civil air carriers to contractually pledge their airlift resources to support DoD mobility requirements in times of emergency or contingency in return for a portion of DoD's peacetime airlift business.

Because maintaining an effective relationship with the commercial air carrier industry is essential to our national defense, I have directed the United States Transportation Command (USTRANSCOM) to revitalize the CRAF program. To support this revitalization of CRAF, the following policy is established:
(1) DoD shall utilize CRAF carriers to the maximum extent possible unless there is a documented negative, critical mission impact; and
(2) in accordance with applicable law, all future acquisitions of DoD airlift services will require CRAF membership, if the carrier is CRAF eligible, as a prerequisite for award. This policy shall be disseminated to all levels in the Department, including the individual traveler and shipper of DoD cargo.

In furtherance of this policy, unless there is a documented negative, critical mission impact, the following priorities in order of precedence, will be used for passenger and cargo airlift:

a. Air Mobility Command (AMC) arranged/operated airlift
b. General Services Administration (GSA) arranged/contracted airlift on CRAF carriers

c. Other U.S. CRAF carriers

d. DoD-approved U.S. flag carriers

e. Non DoD-approved U.S. flag carriers (for individual travel)

f. DoD-approved foreign flag carriers

g. Non DoD-approved carriers (for individual travel)

An integral part of this revitalization program is to provide airlift service that is responsive to customer needs. Toward that end, USTRANSCOM, in coordination with the DoD Components, is directed to perform a recurring assessment of airlift policy compliance with emphasis on identification of factors which cause deviation from the policy. This will be accomplished using commercial off-the-shelf systems to the maximum extent possible to identify systemic non-use of specific contracted routes, an evaluation of the customer's reasons for non-use, and recommended corrective action. A report will be provided to the Deputy Under Secretary of Defense (Logistics) by December 15 of each year, reflecting a summary of airlift policy compliance, service shortfalls, and recommendations for improvement.

USTRANSCOM will develop a single requirements identification process which will address the DoD Components' requirements for all passenger airlift services, so that AMC and GSA contracted airlift requirements are identified simultaneously to allow an optimum mix to be achieved. When airlift is procured to satisfy these requirements, the requester may be responsible for reimbursement of any unused airlift services acquired on their behalf.

This policy will be effective on October 1, 1994. All DoD, Component, and Agency directives and regulations shall be modified to reflect this guidance. USTRANSCOM shall forward language to the Defense Acquisition Regulatory Council consistent with this memo, recommending inclusion in the Federal Acquisition Regulation (FAR).
MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR LOGISTICS, INSTALLATIONS, LOGISTICS, AND ENVIRONMENT
DIRECTOR OF SUPPLY, PROGRAMS, AND POLICY DIVISION (N41), CHIEF OF NAVAL OPERATIONS
DIRECTOR OF AIR FORCE TRANSPORTATION, DEPUTY
CHIEF OF STAFF LOGISTICS
ASSISTANT DEPUTY CHIEF OF STAFF FOR FACILITIES AND SERVICES, DEPUTY CHIEF OF STAFF FOR INSTALLATIONS AND LOGISTICS, U.S. MARINE CORPS
DIRECTOR OF DISTRIBUTION, DEFENSE LOGISTICS AGENCY
DEPUTY DIRECTOR, PLANS AND POLICY, U.S. TRANSPORTATION COMMAND

SUBJECT: General Services Administration's (GSA) Small Package/Freight Delivery Services Contract

The GSA is in the final stages of preparing the Request for Proposal for the Small Package/Freight Delivery Services contract. They have provided the DoD one copy of the final draft of the Statement of Work (SOW) for review. As the formal solicitation process is in progress, this document is classified as "Procurement Sensitive," thus GSA has asked that we not reproduce or distribute it.

To provide each of the addressees an opportunity to review the SOW, I am making it available in room 2B278 in the Pentagon from January 31 to February 8, 1995. I would appreciate your representative contacting Major Sheryl Debnam at (703) 614-5166 to schedule a review time slot for your office. Following the review, your office will be provided a final coordination sheet for concurrence, comments, and signature. This sheet must be returned to this office no later than February 9, 1995. I appreciate your continued support of this initiative to consolidate Government transportation business to incentivize Civil Reserve Air Fleet carriers and obtain the best cost and service for DoD shippers.

Sincerely,

Mary Lou McHugh
Assistant Deputy Under Secretary
(Transportation Policy)
MEMORANDUM FOR THE COMMANDER IN CHIEF, US TRANSPORTATION COMMAND

Subject: Handling Requirements and Establishing Priorities for Transportation

The Deputy Secretary of Defense has approved the enclosed documents relating to the handling of requirements and the establishment of priorities under the defense transportation system. The documents will be included in Joint Publication 4-01, "Joint Doctrine for the Defense Transportation System."

COLIN L. POWELL
Chairman
of the
Joint Chiefs of Staff

Enclosures
MEMORANDUM FOR: SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARY OF DEFENSE FOR ACQUISITION
DIRECTOR OF ADMINISTRATION AND MANAGEMENT

SUBJECT: Handling Requirements and Establishing Priorities for Transportation

The attached documents relating to the handling of requirements and the establishment of priorities under the defense transportation system are hereby approved for implementation.

The Director of Administration and Management shall ensure the preparation of appropriate directives or revisions to directives for my approval to incorporate the substance of the attached documents in the Department of Defense Directive System.

The Chairman of the Joint Chiefs of Staff shall communicate this memorandum to the Commander in Chief of the U.S. Transportation Command.

Enclosures: A -- Transportation Movement Requirements

B -- Uniform Material Movement and Issue Priority System (UMMIPS) Conversion Table, Transportation Priorities for Nonissue/Requisition Materials, and Department of Defense Transportation Movement Priority System
CJCS, CINC-directed, and other special strategic surface and airlift movement requirements will be submitted to USTRANSCOM in accordance with USCINTRANS operational policy.

During contingencies and in conjunction with all CINC-or CJCS-sponsored exercises that involve deployment of forces, movement requirements will be provided to USTRANSCOM through the Joint Operation Planning and Execution System (JOPES).

All airlift requests, intended to be supported by USTRANSCOM and/or theater assigned aircraft, that are requested by OSD and/or the CJCS will be forwarded to USTRANSCOM for execution or to arrange in coordination with the theater command(s), as appropriate.

All other Defense Transportation System movements will use procedures established by governing transportation directives for submitting routine movement requirements directly to the applicable transportation component command.

Enclosure A
Uniform Material Movement and Issue Priority System (UMMIPS) Conversion Table

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<th>Supply Priority Designator</th>
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<td>09-15</td>
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NOTE: This is the current UMMIPS conversion, which ties transportation priority to the material allocation (supply) priority. UMMIPS is being revised to separate supply and transportation priorities with the customer's required delivery date now determining the transportation priority.

Transportation Priorities for Nonissue/Requisition Materials

Transportation Priority 1
- Defense Courier Service
- Registered or Certified Mail
- CASREP and Command Pouches
- First Class and Official Mail Letters
- Priority Mail Parcels

Transportation Priority 2
- Other Official Mail Parcels
- Unaccompanied Baggage

Transportation Priority 3
- All Other Air Eligible Mail; i.e., SAM and PAL
- Personal Property
- Nonappropriated Fund Material
- Material in support of Non-DOD Agencies
Priority 1A

1. A Presidential directed mission.
2. US forces and other forces or activities in combat designated by the Chairman of the Joint Chiefs of Staff in accordance with applicable Secretary of Defense guidance.
3. Programs approved by the President for top national priority.
4. Special weapons.

Priority 1B

1. Missions specially directed by the Secretary of Defense.
2. Units, projects, or plans specially approved for implementation by the Secretary of Defense or Chairman of the Joint Chiefs of Staff.
3. Validated minimal frequency channels.

Priority 2A

1. US forces or activities and foreign forces or activities that are deploying or positioned and maintained in a state of readiness for immediate combat, or direct combat, or direct combat support.
2. Industrial production activities engaged in repair, modification, or manufacture of primary weapons, equipment, and supplies to prevent an impending work stoppage or to reinstitute production in the event a stoppage has already occurred or when the material is required to accomplish emergency or controlling jobs.

Priority 2B

1. CJCS-sponsored exercises (under the CJCS Exercise Program).
2. CINC-sponsored exercises (under the CJCS Exercise Program).

Priority 3A

1. Readiness or evaluation tests when airlift is required in support of the unit inspection or evaluation tests, including EDRE.
2. US forces or activities and foreign forces or activities that are maintained in a state of readiness to deploy for combat and other activities essential to combat forces.
3. Approved requirements channels.
Priority 3B (covers requirements in support of JA/ATT)

1. Service training when airborne operations or airlift support is integral to combat readiness (e.g., field training exercises, proficiency airdrop, and air assault).
2. Combat support training (e.g., flare drops, unconventional warfare activities, and JACC/CP).
3. Service schools requiring airborne, airdrop, or air transportability training as a part of the program of instruction.
4. Airdrop/air transportability or aircraft certification of new or modified equipment.

Priority 4A

1. US forces and foreign forces or activities tasked for employment in support of approved war plans and support activities essential to such forces.
2. Static loading exercises for those units specifically tasked to perform air transportability missions.

Priority 4B

1. Other US forces or activities and foreign forces or activities.
2. Other non-DOD activities that cannot be accommodated by commercial airlift.
3. Static display for public and military events.
RETURN TO: ADMIN SUPPORT BRANCH, SJS, ZE929, THE PENTAGON

McKeeman

DATE RECEIVED
28 September 1992

SUBJECT
HANDLING REQUIREMENTS AND ESTABLISHING PRIORITIES FOR TRANSPORTATION

CIRCULATION OF THIS DOCUMENT WILL BE TO INDIVIDUALS INDICATED BELOW. THE DOCUMENT WILL BE RETURNED TO THE ADMINISTRATIVE OFFICE FOR DISPATCH OR FILING. THIS FORM SHOULD NOT BE REMOVED FROM SUBJECT DOCUMENT.

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Previous Editions Are Obsolete
ACTION SUMMARY

1. **Purpose.** To respond to the Deputy Secretary of Defense request* to communicate attached memorandum to the Commander in Chief of the U.S. Transportation Command.

2. **Background**

   a. On 14 February 1992, the Secretary of Defense directed** the Chairman of the Joint Chiefs of Staff, after coordination with OASD(P&L), CINTRANS, and other departmental officials as may be appropriate, submit to him for approval procedures for the submission of transportation movement requirements and any changes to the transportation movement priority system.

   b. On 6 July 1992, the VCJS responded*** to SecDef's request. The package was coordinated with all Services and CINCs.

   c. The transportation movement procedures and priorities were approved by the DepSecDef on 17 September 1992.

3. **Recommendation.** CJCS sign memorandum at TAB to USCINTRANS forwarding the transportation movement requirements procedures and priorities.

References:

* SJS 1672/449-02, 22 September 1992
** SecDef memorandum, 14 February 1992, "Strengthening Department of Defense Transportation Functions"
*** CM-1380-92, 6 July 1992
MEMORANDUM FOR THE DIRECTOR, PLANS AND POLICY, UNITED STATES TRANSPORTATION COMMAND

Subject: General Services Administration Proposed Contract Services for Expedited Freight Delivery

1. The enclosed memorandum from the Assistant Deputy Under Secretary (Transportation Policy) requests USTRANSCOM review of the proposed statement of work for three new freight delivery services. We understand your staff has already received an advance copy of the document.

2. Your responses to the specific questions regarding impact on the Civil Reserve Air Fleet and any other pertinent comments are needed no later than 28 September 1994; for us to be responsive to OSD and the General Services Administration. Joint Staff point of contact is Col Link, DSN 227-2257.

Enclosure
MEMORANDUM FOR VICE DIRECTOR FOR LOGISTICS, JOINT STAFF (J-4)

SUBJECT: General Services Administration (GSA) Proposed Contract Services for Expedited Freight Delivery

Attached is a letter from the Office of Transportation and Property Management of GSA that asks for DoD comments concerning an attached proposed Statement of Work (SOW) for three new freight delivery services.

Request you forward the attached package from GSA to USTRANSCOM for review and drafting of a proposed OSD reply to GSA. The draft reply should have input from TRANSCOM's Components, the Military Services, and major shippers such as DLA and others as appropriate. The TRANSCOM review should address the following issues: 1) whether the DoD should become a mandatory user of the proposed contract and its potential impact on the CRAF program; 2) if the DoD were to become a mandatory user of the proposed contract, what, if any, additional clauses would we require in the contract such as item visibility, requirement for air carriers to be CRAF participants, or others; 3) if DoD was a mandatory user with a CRAF linkage, what, if any, commitments from CRAF carriers would be appropriate in exchange for this additional entitlement; and 4) what is the potential for split awards to ensure viability of many air carriers. Additional comments or discussion of related issues are welcome.

Please forward the proposed draft reply, along with any other comments, to this office by September 30, 1994. My point of contact is Col. Rick Bonnell, 697-7288 or DSN 227-7288.

Mary Lou McHugh
Assistant Deputy Under Secretary (Transportation Policy)

Attachment
Mr. Allan W. Beres  
Assistant Commissioner  
Office of Transportation and Property Management  
General Services Administration  
Washington, DC 20406

Dear Mr. Beres:

Thank you and your staff for working so diligently with us to incorporate Department of Defense (DoD) requirements in the express delivery services contract. Subject to the exclusionary clause below, the DoD will be a mandatory user of all four types of domestic service (Express Next Day Small Package, Express Two Day Small Package, Three Day Small Package Delivery Service, and Freight Express Next Day).

Following review of the draft Statement of Work (SOW), our representatives coordinated directly with the GSA staff to finalize language for the following requirements. Comments/suggested changes apply to all four types of service if not otherwise indicated.

a. Exclusionary clause. Suggested language: "Exclusionary clause. Mandatory use of this contract does not apply to DoD activities under domestic contracts and guaranteed traffic agreements in effect prior to January 15, 1995 until the expiration of those contracts and agreements. Mandatory use of this contract is not required when shipment requirements cannot be met under this contract."

b. Shipment liability coverage.

(1) Sections .2.6 of LIABILITY COVERAGE, add the following sentence: "See details of additional liability coverage under ACCESSORIAL SERVICES."

(2) Sections .8.1 INCREASED LIABILITY COVERAGE, change para .8.1(2) to read: "If requested, the Contractor shall provide additional coverage, at shipper expense. The Contractor will provide a rate for additional coverage per $100 increment above the basic coverage listed under section 7.2.6 to a minimum of $50,000."

(3) Delete para .8.1(3) to maintain the basic industry standard of liability while including the capability to provide additional coverage at customer discretion.
c. System interface. Suggested language: "Systems Interface Development Requirement. Contractor shall develop an interface between carrier-provided software and the anticipated DoD standard transportation management system. This system, the Standard Transportation Industry Information Processor, is a generic software module which, when operational, will be used by the Military Services and DoD Agencies to employ integrated shipper system capability. The Contractor shall use this interface to exchange cost and shipment planning information with DoD shipping systems for preparation of shipping documents, labels, and electronic data interchange (EDI) transactions for end of day reporting. Software will be portable across a variety of platforms to include mainframes, super minicomputers, and personal computers. The Contractor shall provide this software to Defense or Service Central Design Agencies for distribution to operating locations."

d. Shipper report of damage or loss. The Statement of Work has been modified to increase the time customers have to report shipment damage or loss. Customers will have 15 days after receipt of the shipment to report damage or 15 days following determination of loss to contact the carrier.

e. To Express Next Day and Two Day Small Package services, CA.2(2) and CB.2(2), add a sentence after the phrase, "...of the Contractor's cargo fleet, by 15%." The new wording will be "...of the Contractor's cargo fleet, by 15%. A Contractor which operates long-range international cargo aircraft must increase commitment within that portion of their fleet."

f. To Three Day Small Package and Freight Express Next Day services, CC(2) and CD.2(2), change the wording, "of the Contractor's cargo fleet, by 15%." to read "...of the Contractor's cargo fleet, by 5%." Add a sentence, "A Contractor which operates long-range international cargo aircraft must increase commitment within that portion of their fleet."

The requested CRAF justification language will be forwarded directly to the GSA Contracting Officer. Additionally, we are continuing to work the issue you've discussed with the DLA regarding eight-ounce letter packs.

We look forward to working with you and your staff throughout the contract period and again thank you for allowing us to actively participate in development of the contract. My point of contact is Major Sheryl Debnam, (703) 614-5166.

Sincerely,

Mary Lou McHugh
Assistant Deputy Under Secretary
of Defense (Transportation Policy)

cc:
TRANSCOM/J5
DLA/MMDT
HQ USAF/LGT
HQDA/DALO-TSZ
HQ USMC/LF
CNON41/N42
Mr. Allan W. Beres  
Assistant Commissioner  
Office of Transportation  
and Property Management  
General Services Administration  
Washington, DC 20406  

Dear Mr. Beres:

I want to thank you and your staff for your extensive efforts to incorporate the Department of Defense (DoD) requirements in the GSA Small Package/ Freight Delivery Service contracts. Except as provided under the terms of the contract exclusionary clause below, DoD agencies will become mandatory users of the contracts. The contracts will include specific provisions that carriers participate in the CRAF program at appropriate levels.

The exclusionary clause is as follows:

Use of this contract is not mandatory in the following instances:

1. The Department of Defense - for all contract services, shipments between 0 and 500 miles from origin.
2. DoD shipments under contracts and Guaranteed Traffic Agreements in effect prior to April 1, 1995, not included in the above, until expiration of the contracts and agreements.
3. Use of this contract is not required and is not permitted when shipments are outside the scope of the contract. DoD reserves the right to ship by methods other than this contract when required by wartime or contingency operations.

We will issue directions to DoD agencies implementing the above provisions and solicit your staff’s continued assistance in that effort. Again, thank you for your cooperation and outstanding support.

Sincerely,

Mary Lou McHugh  
Assistant Deputy Under Secretary  
(Transportation Policy)
The SECAF has proposed and the SECDEF has concurred with the transfer of responsibility for the Civil Reserve Air Fleet (CRAF) from the Air Force to USTRANSCOM. The Air Force has pledged continued support during the transition. We have touched base with the Air Force to confirm the offer of assistance contained in their memo proposing the transfer. Their expertise in legal, contracting, policy and other aspects of CRAF should help your transition.

2. The importance of the CRAF is undeniable. The first ever activation and use of the CRAF during Desert Shield/Desert Storm demonstrated the wisdom of those who founded the program and refined the concept. In our assessment of the need for strategic agility to meet our future deployment needs the value of the strong partnership with our commercial counterparts was confirmed to be a crucial part of our deployment capability. As you know, the details of that partnership are soon to be renegotiated. We cannot afford for the transition of responsibilities directed by the SECDEF to impinge upon the critical timeline of CRAF negotiations leading to a new contract that sustains and improves this critical capability.

3. It is clear that CRAF program responsibility will be yours as we move to a strengthened TRANSCOM as outlined in the 14 Feb 92 SECDEF memo. It is important then, for you and your staff working with SECAF and OSD, to take the lead. This should include necessary meetings with commercial carriers and the resolution of open issues (joint ventures, indemnification, etc). We stand ready to support your efforts to bring about a new CRAF agreement.

BT
#2845
NNNN
NATIONAL SECURITY DECISION
DIRECTIVE NUMBER 280

NATIONAL AIRLIFT POLICY

The United States' national airlift capability is provided from military and commercial air carrier resources. The national defense airlift objective is to ensure that military and civil airlift resources will be able to meet defense mobilization and deployment requirements in support of US defense and foreign policies. Military and commercial resources are equally important and interdependent in the fulfillment of this national objective.

Our basic national security strategy recognizes the importance of strategic lift and the need to reduce current shortfalls. The broad purpose of this directive is to provide a framework for implementing actions in both the private and public sectors that will enable the US efficiently and effectively to meet established requirements for airlift in both peacetime and in the event of crisis or war. Toward this end, the following policy guidelines are established:

1. United States policies shall be designed to strengthen and improve the organic airlift capability of the Department of Defense and, where appropriate, enhance the mobilization base of the U.S. commercial air carrier industry. A U.S. commercial air carrier is an air carrier holding a certificate issued pursuant to section 401 of the Federal Aviation Act of 1958, as amended.

2. The goal of the United States Government is to maintain in peacetime organic military airlift resources, manned, equipped, trained and operated to ensure the capability to meet approved requirements for military airlift in wartime, contingencies, and emergencies. Minimum utilization rates shall be established within the Department of Defense which will provide for levels of operation and training sufficient to realize this goal.

3. The Department of Defense shall determine which airlift requirements must move in military airlift manned and operated by military crews because of special military considerations, security, or because of limiting physical characteristics such as size, density, or dangerous properties; and which airlift requirements can be appropriately fulfilled by commercial air carriers.
4. The commercial air carrier industry will be relied upon to provide the airlift capability required beyond that available in the organic military airlift fleet. It is therefore the policy of the United States to recognize the interdependence of military and civilian airlift capabilities in meeting wartime airlift requirements, and to protect those national security interests contained within the commercial air carrier industry.

5. During peacetime, Department of Defense requirements for passenger and/or cargo airlift augmentation shall be satisfied by the procurement of airlift from commercial air carriers participating in the Civil Reserve Air Fleet program, to the extent that the Department of Defense determines that such airlift is suitable and responsive to the military requirement. Consistent with the requirement to maintain the proficiency and operational readiness of organic military airlift, the Department of Defense shall establish appropriate levels for peacetime cargo airlift augmentation in order to promote the effectiveness of the Civil Reserve Air Fleet and provide training within the military airlift system.

6. Short-term airlift capability required to meet contingency requirements which might be considered minor surges shall be provided by increased utilization of aircraft in the organic sector, as well as by the increased utilization of the commercial air carriers regularly providing service to the Department of Defense.

7. United States Government policies should provide a framework for dialogue and cooperation with our national aviation industry. It is of particular importance that the aviation industry be apprised by the Department of Defense of long-term requirements for airlift in support of national defense. The Department of Defense and the Department of Transportation shall jointly develop policies and programs to increase participation in the Civil Reserve Air Fleet and promote the incorporation of national defense features in commercial aircraft. Government policies should also support research programs which promote the development of technologically advanced transport aircraft and related equipment.

8. The Department of State and other appropriate agencies shall ensure that international agreements and federal policies and regulations governing foreign air carriers foster fair competition, safeguard important US economic rights, and protect US national security interests in commercial cargo capabilities. Such agencies should also promote among US friends and allies an appreciation of the importance of intercontinental airlift and other transportation capabilities, and work to obtain
further commitments from such countries and foreign air carriers in support of our mutual security interests.

9. United States aviation policy, both international and domestic, shall be designed to strengthen the nation's airlift capability and where appropriate promote the global position of the United States aviation industry.

The Department of State, the Department of Defense, the Department of Commerce, the Department of Transportation, the Federal Emergency Management Agency, and the National Aeronautics and Space Administration shall provide leadership within the executive branch in implementing these objectives.

This directive replaces the Presidentially approved Courses of Action contained in the February 1960 Department of Defense study, The Role of Military Air Transportation Service in Peace and War.

/s/ Ronald Reagan
SUBJECT: Transportation and Traffic Management

References: 
(a) DoD Directive 4500.9, subject as above, June 28, 1976 (hereby canceled)
(c) DoD Directive 4515.13, "Transportation by DoD-Owned and Controlled Aircraft," June 26, 1979 (hereby canceled)
(e) through (11), see enclosure 1

A. REISSUANCE AND PURPOSE

This Directive:

1. Reissues and updates reference (a); cancels references (b) through (g).

2. Prescribes general DoD transportation and traffic management policies. Specific policies on congressional or public affairs travel are in DoD Directive 4515.12 and DoD Instruction 5435.2 (references (h) and (i)), respectively. Policies for operational support airlift are in DoD Directive 4500.43 (reference (j)). Policies on administrative use of motor vehicles are in DoD Directive 4500.36 (reference (k)). Policies for personal property shipment and storage are in DoD Directive 4500.34 (reference (l)), and policies on air passenger management and quality control of civil air carriers are in DoD Directive 4500.53 (reference (m)).

3. Includes transportation policies promulgated by Defense Transportation Program Policy Memoranda (DTPPM).

B. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense (OSD), the Military Departments including their Active and Reserve components, the Joint Chiefs of Staff (JCS), the Joint Staff, the Unified and Specified Commands, and the Defense Agencies (hereafter referred to collectively as "DoD Components").

C. POLICY

1. Organization and Management of Transportation Resources. DoD transportation resources shall be organized and managed to ensure optimum responsiveness, efficiency, and economy to support the DoD mission.
2. **DoD-Owned or -Controlled Transportation Resources.** The Department of Defense shall maintain and operate in peacetime only those owned or controlled resources leased or chartered for periods greater than 0-10 days) transportation resources needed to meet approved DoD emergency and wartime requirements that cannot be met from commercial transportation sources. Those transportation resources shall be used during peacetime as efficiently as possible to provide essential training for operational personnel and to meet logistic needs consistent with fostering the development of military-useful commercial capabilities. Requirements in excess of DoD capability shall be met by the use of commercial carriers. DoD-owned or -controlled transportation resources shall be used for official purposes only.

3. **Traffic Management.** It is DoD policy to procure safe, secure, reliable, and quality commercial transportation services that shall meet DoD requirements at the lowest overall cost. To support that policy, the DoD transportation single managers, designated in DoD Directives 5160.53, 5160.10, and 5160.2 (references (n) through (p)), and the shipper services shall promote a viable commercial transportation network capable of meeting wartime and peacetime transportation requirements and shall:

   a. Develop negotiation plans and strategies to ensure that DoD short-term and long-term transportation needs are met.

   b. Develop acceptable standards of service based on objective criteria, and determine carriers qualified to be used by the Department of Defense.

   c. Work closely with the procurement community in material acquisition to ensure that transportability factors and transportation costs and constraints are considered. Contracting officials shall consult DoD transportation officials in accordance with FAR, part 47.3 (reference (q)), to determine the best delivery terms for material (free on board (FOB) origin or destination) that meet DoD movement requirements and result in the lowest overall delivered cost.

   d. Ship direct from vendors to users whenever it is economical and consistent with the need to consolidate shipments to obtain lower transportation rates.

   e. Take advantage of the benefits and economies to be achieved by consolidating shipments and by adjusting schedules where movement requirements permit.

   f. Make maximum use of negotiated and guaranteed traffic tenders for volume and repetitive shipments. For purposes of volume rate negotiations, shippers are encouraged to consolidate shipments destined for, or originating in, the same area.

   g. Limit the use of premium methods and modes of transportation to shipments that clearly require such service for meeting priority mission requirements or whenever savings due to reductions in pipeline or stored supplies exceed the marginal cost of expedited service.
h. Extend uniform material movement and issue priority standard transit times to permit use of lower cost transportation services and shipment consolidation when agreed to by the shipper and requisitioner.

i. Configure shipments to facilitate the use of low-cost transportation options.

j. Consider "non-traditional" transportation alternatives, such as barge service, when they meet requirements at a lower cost.

k. Review applicable rates and charges on DoD and foreign military sales (FMS) movements to ensure that they are fairly, reasonably, and properly applied, and take action to obtain relief from rates or charges found to be unfairly, unreasonably, and improperly applied.

4. Travel Management

a. Group Movement of DoD Passengers in the Continental United States (CONUS). Commercial transportation shall be requested from the Military Traffic Management Command (MTMC) when moving groups of 21, or more, DoD passengers in CONUS, except when military transportation is essential to meet training or mission requirements, or when opportune capability is generated as a result of training or logistics support requirements. Where military transportation is considered appropriate, commercial transportation shall not be requested from MTMC until all actions to obtain military transportation have been exhausted. When MTMC is requested to arrange commercial transportation, all previous requests and actions pending to obtain military transportation shall be canceled by the requesting activity.

b. DoD Car Rental Program. MTMC is responsible for all DoD car rental programs. Rental car arrangements shall be made through commercial travel offices (CTOs), when available, to ensure the lowest rate and comprehensive reporting on rental car use. If arrangements cannot be made through CTOs, DoD travelers shall select a car rental service that accomplishes the mission at the lowest overall cost to the Government. To accomplish this, travelers shall select rental cars from companies that have DoD rate agreements or from other companies that offer a lower rate.

c. Business Class (Less Than First-Class) and First-Class Air Carrier Accommodations. DoD members shall use coach class air accommodations. Use of business-class or first-class air accommodations shall be on an exception basis, as prescribed in subparagraphs C.4.c.(1), C.4.c.(2), and C.4.c.(3), below:

(1) Business-class accommodations are authorized only under the following conditions:

(a) When coach class accommodations are not available for overseas travel and the only alternative is the use of a foreign-flag air carrier.

(b) For Presidential appointees in codes 2 and 3, and three- and four-star general and/or flag officers when traveling overseas on official temporary additional duty (TAD) and/or temporary duty (TDY) business. This authorization extends to the principal only. Travel within the CONUS shall be by coach and/or economy class only.
(c) For travel not encompassed by subparagraphs C.4.c.(1)(a) or C.4.c.(1)(b), above, when justification, based on mission requirements, is submitted in advance, and approval is obtained from the appropriate approval authority listed in subparagraph C.4.c.(4), below.

(2) First-class travel shall be used only when exceptional circumstances dictate, and as approved IN ADVANCE in accordance with subparagraph C.4.c.(4), below. First-class accommodations may be appropriate, as follows:

(a) Security or operational necessity considerations dictate the use of first-class accommodations because no other accommodation is available that shall satisfy the mission.

(b) No other accommodation is available on U.S.-flag carriers and the use of first-class accommodations is cost effective when compared to the cost of travel by foreign-flag carrier.

(c) Medical requirements validated by the physician in charge dictates the need for first-class accommodations.

(3) DoD Components shall review requests for business- and first-class travel under subparagraphs C.4.c.(1)(a), C.4.c.(1)(c), and C.4.c.(2), above, to determine if mission needs may allow for a change in travel dates to support a lower-class accommodation. It is the DoD Component's responsibility to ensure that the use of premium accommodations is controlled. Travelers shall identify travel requirements in sufficient time (if known) to arrange each-class accommodations. The traffic management office shall ensure that all U.S.-flag airlines are canvassed and that alternative dates of travel are offered to the member before determining if coach class is not available. The local traffic manager in conjunction with the orders approving authority may approve business class travel on U.S.-flag air carriers if coach class is not available and when the only other alternative that would meet the mission is the use of foreign-flag air transportation. All decisions shall be documented and maintained for 1 year after the fiscal year (FY) of the travel for audit purposes.

(4) First-Class and Business-Class Approval Authorities

(a) Approval authorities for the use of business-class or first-class travel accommodations, not specifically authorized in paragraph C.4.c., above, are the Executive Secretary for personnel assigned to Defense Agencies and to the OSD; the Secretaries for personnel within their Military Services and Secretariats; and the Director, Joint Staff, for personnel assigned to the Joint Staff and the Unified and Specified Commands.

(b) Service Secretaries may redelegate approval authority to Under Secretaries, Service Chiefs of Staff, and four-star major commanders or their three-star vice and/or deputy commanders, and no further. Approval only may be considered by those officials for security, operational necessity, cost effectiveness, or medical reasons cited in subparagraphs C.4.c.(2)(a) through C.4.c.(2)(c), above.
5. Airlift

a. Use of Military Airlift Command (MAC) to Airlift Services for International Movement of Passengers and Cargo. MAC-owned or contracted airlift shall be used for the international movement of DoD-sponsored passengers and cargo when MAC airlift capability is available and meets mission requirements. When MAC airlift service is not available to meet individual or group international travel requirements, DoD Components may arrange alternative transportation capability through MAC, or directly with commercial carriers, consistent with DoD and service traffic management policy. To the extent practical, civil air carriers contractually committed to the Department of Defense under the Civil Reserve Air Fleet (CRAF) Program shall be used.

b. Foreign Air Transportation. U.S. flag air carriers that hold certificates under P.L. 85-726, 401, (reference (r)) are required by 49 U.S.C. 1517 (reference (s)) to be used for all foreign air transportation of persons or property when financed by the Government, or obtained for any foreign nation or international organization, without provision for reimbursement if such service provided by the U.S. carriers is available. U.S. flag carriers shall be used even though service by a foreign flag air carrier costs less, is preferred, or is more convenient. The Comptroller General of the United States has issued guidelines in B-148942 (reference (t)), which defines "availability" of passenger or freight services. The authorized exceptions to the use of U.S. Certified Air Carriers are in the JTR (reference (u)) and in this Directive.

c. Threat to Travelers. Members of the Uniformed Services and DoD civilian employees are authorized to use foreign flag airlines (if U.S. flag carriers are not available) and/or indirect routings to avoid high threat areas/airports identified by the Defense Intelligence Agency (DIA) and designated by the Assistant Secretary of Defense for Special Operations/Low Intensity Conflict (ASD(SO/LIC)). DoD personnel using foreign aircraft to avoid specific airports or routings must disembark at the nearest practical interchange point and continue the journey on U.S. flag carrier service.

d. Airlift Approval and Coordination. The critical nature of airlift resources requires that they be used in a judicious and economical manner. DoD Components tasked to employ airlift must retain surveillance over those important resources and ensure that appropriate OSD and Joint Staff are informed of sensitive airlift operations. Airlift approval authority for movements supporting activities other than DoD Components is vested solely with the Secretary of Defense. The delegation of that approval authority is reflected in enclosure 2 of this Directive. Requests for support not specifically meeting the provisions of the enclosure shall be forwarded to the Director, Transportation Policy, Office of the Assistant Secretary of Defense (Production and Logistics) (OASD(P&L)) for action.

6. Sealift

a. Use of Commercial Sealift. The Department of Defense shall operate the minimum number of dry cargo ships needed to meet JCS exercise and other forecast requirements that cannot be accommodated by scheduled commercial sources. The Military Sealift Command (MSC), in coordination with the MTHC,
Il size the dry cargo controlled fleet to meet this DoD policy. Ready 
serve Force (RRF) ships shall be used to meet peacetime surge requirements 
JCS exercises and initial DoD dry cargo lift surge requirements, when 
responding to crisis and war. Once the MSC fleet is sized according to this 
strategy, MSC dry cargo ships shall be used to the maximum extent when vessel 
readies satisfy cargo delivery requirements.

b. Use of Foreign-Flag Shipping. DoD cargo shall be transported by 
a only in vessels of the United States, or belonging to the United States, 
cept in accordance with the terms of an applicable treaty or when U.S.-flag 
ips are not available to meet the requirements of the cargo, or when the 
ecretary of the Navy (SECNAV), in accordance with the Presidential Memorandum 
d the Secretary of Defense Memorandum (references (v) and (w)), determines 
at rates charged by such vessels are excessive or otherwise unreasonable 
der (FAR, part 47.5) (reference (q)). All Defense Security Assistance Agency 
(SAA) material that is U.S. financed shall be transported by U.S.-flag carriers, 
less a non-availability waiver has been granted by the DSAA and the Maritime 
Administration (MARAD).

c. Ocean Shipment of FMS Cargo via the Defense Transportation System 
(DTS). FMS cargo, although offered for shipment by DoD elements, is not author-
ized for shipment under the favorable rates negotiated by HTMC in tenders for 
land movement or negotiated by MSC for ocean carriage by U.S.-flag carriers. 
FMS cargo moving in the DTS shall be handled under procedures that ensure com-
mercial bookings and established commercial ocean carrier service and rates are 
sed.

d. Use of Fast Sealift Ships (FSS) During Peacetime. In peacetime, 
the FSS shall be maintained in a reduced operating status and berthed in U.S. 
ports. The ships shall be used regularly according to approved exercise plans: 
argo generated in direct support of exercises and specifically identified as 
exercise cargo in the approved exercise plan is eligible for sealift in the FSS 
ships. Those ships shall not be used for sealift of DoD cargo that otherwise 
could be carried routinely on U.S.-flag commercial ships. Exceptions to that 
policy may be granted only in an emergency or unusual situation with the 
approval of the Assistant Secretary of Defense (Production and Logistics) 
(ASD(P&L)).

e. Delegation of Authority for Navigation and Inspection Laws. The 
following delegations of authority are promulgated to implement P.L. 81-891, 64 
Statute 1120 (reference (x)) and shall supersede those previously in DoD 
Directive 5100.21 (reference (e)).

(1) The ASD(P&L) has full authority to act for the Secretary of 
Defense, and to exercise the powers of the Secretary of Defense on any and all 
matters that the Secretary of Defense is authorized to act on under reference 
(x), except as delegated in subparagraphs C.6.e.(2) and C.6.e.(3), below.

(2) The Secretary of the Army shall act for the Secretary of 
Defense, and exercise the powers of the Secretary of Defense on any and all 
matters that the Secretary of Defense is authorized to act under reference (x) 
if such action is related to the St. Lawrence Seaway Power Project, the St. 
Lawrence Seaway Navigation Project, and the Great Lakes Connecting Channels 
Project.
(3) The SECNAV shall act for the Secretary of Defense and exercise the powers of the Secretary of Defense under P.L. 81-891 (reference (x)) only on matters pertaining to waiver of cabotage law under the "Merchant Marine Act of 1920" (reference (y)) for the carriage of DoD cargo in the DTS. The authority may be redelegated to the Commander, MSC (and no further). All other requests for waiver of cabotage laws shall be referred to the ASD(P&L).

(4) All requests for waiver of the navigation and vessel inspection laws of the United States made by the ASD(P&L), the Secretary of the Army, or the SECNAV to the Head of any Department or Agency responsible for the administration of such laws, shall be considered to have been made by and with the full authority and power of the Secretary of Defense.

(5) The authority delegated herein may not be redelegated.

f. Ship Mortgages. The SECNAV is delegated full power and authority to act for and in the name of the Secretary of Defense on any and all matters that the Secretary of Defense is authorized to act under the "Merchant Marine Act of 1936" (reference (z)) providing for ship mortgages. This delegation supersedes that previously made in DoD Directive 5160.25 (reference (f)).

7. Privately Owned Vehicle (POV) Overland Movement. 10 U.S.C. 2634 (reference (aa)) authorizes overland movement of POVs, whenever this routing shall not cost more than alternative routings. MTMC shall determine requirements for overland movement of POVs in CONUS, to include the establishment of POV processing facilities outside of water ports. The theater commander shall determine the requirement for inland POV processing facilities in overseas areas.

8. Consolidation of Personal Property Shipping Offices. Optimum consolidation of personal property traffic management functions and shipping offices is to be achieved within each geographic consolidation planning area designated by the OASD(P&L). Consolidation efforts should maintain primary focus on service to the Military Service member and should be accomplished if potential for efficiencies in operations exist.

9. Movement of Hazardous Materials. Shipments of hazardous materials shall conform to applicable statutes and to requirements established by regulatory bodies having responsibility over such traffic. MTMC is the DoD point of contact for the establishment, amendment, or clarification of rules and regulations of the regulatory bodies governing safe transportation of explosives and other hazardous material. DoD Components may contact the Department of Transportation (DoT) and other Agencies directly in cases of emergency or for technical consultations on hazardous materials. Shipment of sensitive conventional arms, ammunitions, and explosives shall conform to requirements of DoD 5100.76-M, reference (bb). DoD Directive 6055.13 (reference (cc)) provides guidance for prevention of, and emergency response to, transportation accidents involving conventional DoD munitions and explosives.

10. Processing and Shipping DoD-Sponsored Retrograde Material. This Directive supersedes that guidance previously in DoD Instruction 4500.35 (reference (d)). DoD Components shall:
a. Prevent the introduction of hazardous articles into cargo classified as "general cargo or vehicles," and prevent rodents, arthropod vectors of man disease, snails, termites, and other agricultural pests, and soil capable of harboring plant pests and animal disease organisms that may be in retrograde cargo from entering the United States, its territories, and possessions. Retrograde cargo quarantine processing shall be done at the point of foreign origin, including inspection and decontamination, if required, of authorized carriers ships and aircraft before loading DoD cargo.

b. Arrange and provide administrative, logistics, and medical support to the United States Department of Agriculture (USDA) or to the United States Public Health Service (USPHS) advisors and/or inspectors at specific foreign embarkation points. Retrograde DoD cargo shall not be embarked without official clearance certification or free pratique authorization by a certified quarantine inspector. Retrograde of foreign equipment for repair and return shall be arranged on a space available, reimbursable basis.

c. Arrange for examination or inspection of all passengers, crew members, accompanying baggage, cargo, and equipment on any DoD-sponsored ship or aircraft departing outside the customs territory of the United States (CTUS) and destined to enter the CTUS in accordance with DoD 5030.49-R, reference (dd).

11. Employment of Military Resources for Military Assistance to Safety and Traffic (MAST). This Directive replaces that guidance previously in DoD Directive 3000.2 (reference (g)).

a. Military units shall assist civilian communities in providing medical emergency helicopter services beyond the capability of that community. Military units shall not compete for emergency medical evacuation missions in areas where support can be provided by civilian contractors.

b. Military support only shall be accomplished as a by-product of, and within, the Military Department's annual training program and without adverse impact to the unit's primary military mission. MAST support may be discontinued with little or no advance notice because of DoD priorities.

c. Support only may be provided subject to the following specific limitations:

(1) Assistance may be provided only in areas where military units able to provide such assistance regularly are assigned.

(2) Military units shall not be transferred from one area to another for providing such assistance.

(3) Assistance may be provided only to the extent that it does not interfere with the performance of the military mission.

(4) The provisions of assistance shall not cause any increase in funds required for DoD operation.

(5) The Secretary of Defense, or designee, shall be the final decision authority for commitment of DoD resources to the MAST program.
(6) DoD costs incurred in the program shall be funded by the Military Departments within their annual training program.

12. Shipment and Documentation of Classified and Sensitive Materials

a. Shipment of Classified Materials. Shipments of classified materials shall conform to applicable requirements established by DoD 5200.1-R and DoD 5220.22-M (references (ee) and (ff)). Access to aircraft and vessels arriving from foreign countries by USDA and U.S. Customs officials acting in official cargo inspection capacity may not be denied because of cargo security classification. Shipments of sensitive conventional arms, ammunitions and explosives shall conform to requirements of DoD 5100.76-M, reference (bb).

b. Transportation Documentation of Movements to Support Classified Commander in Chief (CINC) or JCS Operations Plans

(1) Existing transportation documentation systems are designed to operate in an unclassified environment. Their use during contingencies and mobilization creates a potential for compromise of elements of the operative CINC or JCS operations plan. During such contingency operations, transportation documentation containing classified information, which normally would be unclassified in execution, must be structured and communicated without compromising security information.

(2) When considering major modifications to, or development of, new transportation documentation and related information systems, the movement of personnel and material is the prime consideration, and the necessary documentation and/or data transmittal should not impede that effort. The implications of security classifications must be recognized in developing Service-unique and DoD transportation documentation and/or data systems and any major enhancements to existing systems.

13. Automation of Transportation and Traffic Management Functions. When developing automated transportation systems, the following guidelines shall be considered:

a. Use of existing electronic data interchange transaction standards that are common within the transportation industry and Government.

b. Use of commercially developed, off-the-shelf software when it meets DoD requirements.

c. Development of real-time systems interfaces with the transportation industry.

d. Interfacing of transportation systems with integrated logistics and financial systems.

e. Incorporation of system design features that facilitate evolutionary improvement and updating transportation systems based on new technology.
f. Joint Service development of transportation systems when determined to be beneficial.

g. Development and use of secure transportation automated systems that are survivable in national emergency, mobilization, and war.

14. Transportation Planning Process. DoD transportation managers at all levels shall emphasize efficient management of transportation resources through structured transportation planning process. The transportation planning process should include the following:

a. Providing for operation of transportation systems in time of national emergency, mobilization, and war.

b. Using and promoting the types of equipment and/or services necessary to fulfill the DoD logistics mission.

c. Identifying the resources required to meet movement requirements, present and future.

d. Improving the process for selecting carriers.

e. Exploiting contractual and other long-term carriage arrangements.

f. Exploiting the bargaining leverage afforded by the volume of DoD movement requirements in negotiating transportation cost and service options for the movement of DoD cargo and passengers.

g. Incorporating state-of-the-art technology (i.e., symbology markings, microcircuitry, and electronic data interchange) in transportation system processes.

h. Providing to all interested carriers information on traffic distribution patterns, rates, and service requirements when it will assist HTHC in the negotiation of rates, increase competition, and improve service. (See the UTHR (reference (gg)).)

15. Non-DoD Use of DoD Transportation

a. DoD transportation resources may be used to move non-DoD traffic only when the DoD mission shall not be impaired and movement of such traffic is of an emergency, lifesaving nature, specifically authorized by statute, in direct support of the DoD mission, or requested by the Head of an Agency of the Government under 31 U.S.C. 1535 and 1536 (reference (hh)). The requesting Agency must provide a determination that the request is in the best interest of the Government and that commercial transportation is not available or, for reasons that must be specified, is not capable of satisfying the movement requirement.

b. Reimbursement for transportation provided by the Department of Defense to other U.S. Government Agencies and non-U.S. Government Agencies or private individuals is required and shall be in accordance with DoD 7220.9-M (reference (ii)). Rates shall be constructed using chapter 26 of reference (ii) to recover specific costs based on the type of agency supported. Non-DoD
U.S. Government rates shall recover costs that shall offset expenses from appropriated funds such as military and civilian pay or funded fringe benefit costs, and recover other significant costs such as the cost of fuel, landing fees, etc. Non-U.S. Government rates shall recover the full cost of operation to include those costs charged to other U.S. Government Agencies, plus miscellaneous costs, as provided in DoD 7220.9-M (reference (ii)). Specific rates or surcharges can be provided by the transportation operating Agencies. Reimbursement for transportation of FMS materials shall be in accordance with DoD 7290.3-M (reference (jj)).

(c) Requests for the use of DoD transportation to move non-DoD traffic shall be handled, as follows:

(1) If a request is for immediate transportation to save a patient's life, it shall be referred immediately to the DoD Component possessing the needed transportation resource. That DoD Component, in accordance with its procedures and after verifying the medical necessity, may provide the transportation if this can be done without impairing the DoD mission.

(2) Other requests shall be referred for decision to the Director of Transportation Policy, OASD(P&L), unless they fall within a category for which the decision authority is exercised by another DoD element, under DoD 4515.13-R (reference (kk)), or do not meet the standards in this Directive. In the latter case, they should be denied by the organization receiving the request.

d. When DoD transportation has been authorized to move non-DoD traffic, the documents associated with customs, immigration, export, or other international travel and transportation requirements must be accomplished by the person or organization requesting the transportation.

D. RESPONSIBILITIES

1. The Assistant Secretary of Defense (Production and Logistics) (ASD(P&L)) shall be responsible for establishing policies and providing guidance to the DoD Components for efficient use of DoD and commercial transportation resources and the establishment and operation of the transportation single-manager operating Agencies.

2. The Joint Chiefs of Staff (JCS) shall:

a. Establish means for identifying requirements to the appropriate single-manager Agencies, maintain cognizance over those requirements, prescribe a transportation movement priority system, and institute a Joint Transportation Board to allocate transportation resources among the competing elements when requirements exceed transportation system capability.

b. Assign to the Commanders of Unified and Specified Commands the responsibility for providing direction, control, and supervision of all functions incident to the effective and economical procurement and use of land freight and passenger service from commercial transportation resources to accomplish their missions.
3. **The Secretary of the Army** shall:

   a. Through MTMC, as prescribed by DoD Directive 5160.53 (reference (n)), provide:

   (1) CONUS traffic management services for passengers and freight and worldwide personal property movements management.

   (2) Ocean cargo booking and contract administration for MSC agreements and contracts with ocean carriers.

   (3) Intermodal container management.

   (4) Operate or arrange for operation of common-user ocean terminals in CONUS and operate overseas ocean terminals under agreements with overseas commanders.

   b. Make common-user land transportation available in overseas areas to the other Military Departments as agreed and assigned by the Unified Command Commander. Coordinate the planning and requirements for the use of DoD-controlled land transportation equipment and facilities.

   c. Serve as the DoD Executive Agent for the MAST program and, as such, shall implement DoD policy; provide direction on plans, procedures, and requirements; and task DoD Components having cognizance over military resources that may be employed in support of the MAST program. Forces that are under the operational control of Commanders of Unified or Specified Commands shall not be taskled to support the establishment of MAST sites without the approval of the Chairman of the JCS (CJCS).

4. **The Secretary of the Navy** (SECNAV), through MSC, as authorized by DoD Directive 5160.10 (reference (o)), shall provide:

   a. Strategic Sealift Forces to deploy and sustain U.S. military forces worldwide in peacetime and wartime.

   b. Naval Fleet Auxiliary Forces to support U.S. Navy operations worldwide.

   c. Special Mission Support Forces in responding to specific DoD tasking for designated U.S. Agencies and sponsors worldwide.

5. **The Secretary of the Air Force** shall:

   a. Through MAC, in compliance with DoD Directive 5160.2 (reference (p)), provide common-user airlift services and military airlift during peacetime and wartime, periods of emergency and crises, and for JCS exercises.

   b. Develop, publish, and maintain in coordination with the other DoD Components and the ASD(P&L), using procedures consistent with DoD 5025.1-M (reference (11)), a single DoD Regulation (DoD 4515.13-R, reference (kk))
governing transportation on DoD-owned or -controlled aircraft. Ensure that the Regulation implementing this Directive provides guidance on conditions under which DoD-owned or -controlled airlift may be used, criteria for assigning air movement priorities, reimbursement for the use of DoD-provided air transportation, and other matters appropriate to the Airlift Service Industrial Fund and other DoD-owned and -controlled aircraft.

6. The Commander in Chief, U.S. Transportation Command (USTRANSCOM), shall be the primary commander responsible for the transportation-oriented elements of strategic mobility planning and operations, and maintaining the Joint Deployment System. The command shall be responsible for worldwide strategic mobility planning (deliberate and execution), deployment-related automated data processing (ADP) systems integration, and centralized wartime traffic management.

7. The Defense Security Assistance Agency (DSAA) shall be the primary Agency responsible, in coordination with ASD(P&L), for transportation issues associated with the movement of security assistance materials.

E. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective immediately. Forward one copy of implementing documents to the Assistant Secretary of Defense (Production and Logistics) within 180 days.

William H. Taft, IV
Deputy Secretary of Defense

Enclosures - 2
1. References
2. Strategic and Tactical Airlift Approval and Coordination Procedures
REFERENCES, continued

(e) DoD Directive 5100.21, "Delegation of Authority to the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics) and to the Secretary of the Army," October 30, 1980 (hereby canceled)

(f) DoD Directive 5160.25, "Delegation of Authority to the Secretary of the Navy," October 27, 1958 (hereby canceled)

(g) DoD Directive 3000.2, "Employment of Military Resources for Military Assistance to Safety and Traffic (MAST)," September 1, 1976 (hereby canceled)

(h) DoD Directive 4515.12, "Department of Defense Support for Travel of Members and Employees of the Congress," December 12, 1964

(i) DoD Instruction 5435.2, "Delegation of Authority to Approve Travel in and Use of Military Carriers for Public Affairs Purposes," April 25, 1975


(q) Federal Acquisition Regulation (FAR), Parts 47.3 and 47.5


(s) Title 49, United States Code, Section 1517


(u) Joint Travel Regulation (JTR)


(w) Secretary of Defense Memorandum, "Ocean Transportation of Department of Defense Supplies," August 8, 1985

(x) Public Law 81-891, "Act of December 27, 1950" (Title 64 Statute 1120) (46 U.S.C. note preceding Section 1)


(aa) Title 10, United States Code, Section 2634


gg) Defense Traffic Management Regulation (DTHR)

(hh) Title 31, United States Code, Sections 1535 and 1536


SUBJECT: United States Transportation Command

References: (a) Title 10 of the United States Code
(b) Unified Command Plan
(c) DOD Directive 4500.9, "Transportation and Traffic Management," January 26, 1989
(e) Secretary of Defense Memorandum, "Strengthening Department of Defense Transportation Functions," February 14, 1992 (hereby superseded)

A. PURPOSE

This Directive implements Sections 113 and chapter 6 of reference (a) with respect to Department of Defense transportation.

C. DEFINITIONS

As used in this Directive, the following terms have the meanings set forth:

1. "Service-unique or theater-assigned transportation assets" means transportation assets that are:

   a. assigned to a Military Department for functions of the Secretaries of the Military Departments set forth in Sections 3013(b), Section 5013(b), and 8013(b) of reference (a), including administrative functions (such as motor pools), intelligence functions, training functions, and maintenance functions;

   b. assigned to the Department of the Army for the execution of the missions of the Army Corps of Engineers or, prior to the initial discharge of cargo, Army afloat prepositioned ships;

   c. assigned to the Department of the Navy as:
i. the special mission support force of missile range instrumentation ships, ocean survey ships, cable ships, oceanographic research ships, acoustic research ships, and naval test support ships;

ii. the naval fleet auxiliary force of fleet ammunition ships, submarine surveillance ships, fleet stores ships, fleet ocean tugs, submarine ballistic missile support ships, and fleet oilers;

iii. hospital ships;

iv. Marine Corps intermediate maintenance activity ships;

v. Marine Corps helicopter support to senior Federal officials; or

vi. prior to initial discharge of cargo, maritime prepositioning ships.

d. assigned to the Department of the Air Force for search and rescue, weather reconnaissance, audiovisual services, and aeromedical evacuation functions, and transportation of senior Federal officials, or, prior to the initial discharge of cargo, Air Force afloat prepositioned ships; or

e. assigned for combatant command to a commander of a unified or specified command (including the Special Operations Command) other than the Commander in Chief of the U.S. Transportation Command.

2. "CINCTRANS" means the Commander in Chief of the United States Transportation Command.

D. MISSION

The mission of the Commander in Chief of the United States Transportation Command shall be to provide air, land, and sea transportation for the Department of Defense, both in time of peace and time of war.

E. POLICY

It is the policy of the Department of Defense that:

1. CINCTRANS shall have combatant command of the Military Traffic Management Command of the Department of the Army, the Military Sealift Command of the Department of the Navy, and the Air Mobility Command of the Department of the Air Force, in time of peace and time of war.

2. CINCTRANS shall have combatant command of all transportation assets of the Military Departments, except for Service-unique or theater-assigned transportation assets.

3. The Secretaries of the Military Departments shall have the authority and duty to organize, train, and equip forces for assignment to CINCTRANS.

4. The Secretaries of the Military Departments shall have the authority and duty to program and budget for the organizing, training, and equipping of forces for assignment to CINCTRANS.
5. CINCTRANS shall be the Department of Defense single manager for transportation, other than Service-unique or theater-assigned transportation assets.

6. CINCTRANS shall provide management support for Service-unique or theater-assigned transportation assets to the Secretaries of the Military Departments and the commanders of unified and specified commands when:

   a. the Secretary of Defense so directs, or

   b. CINCTRANS and the Secretary concerned or the commander concerned so agree.

7. CINCTRANS shall make recommendations, through the Chairman of the Joint Chiefs of Staff, to the Secretaries of the Military Departments and the Under Secretary of Defense for Acquisition on the capability, capacity, characteristics, design and other requirements for mobility assets needed to execute the mission of CINCTRANS.

8. CINCTRANS shall establish and maintain relationships between the Department of Defense and the commercial transportation industry to develop concepts, requirements, and procedures for the Contingency Response Program, the Civil Reserve Air Fleet, and the Sealift Readiness Program. Any procedures so developed shall take effect upon their approval by the Secretary of Defense.

F. **DELEGATIONS OF AUTHORITY**

1. In addition to the authority of CINCTRANS under chapter 6 of reference (a) and authority provided by direction from the President or the Secretary of Defense, CINCTRANS is delegated authority to:

   a. procure commercial transportation services (including lease of transportation assets) in accordance with applicable law; and necessary to carry out the mission of CINCTRANS; and

   b. with the approval of the Secretary of Defense, to activate and command assets of the Civil Reserve Air Fleet, the Ready Reserve Force, and the Sealift Readiness Program, consistent with applicable law.

2. CINCTRANS is delegated control of the transportation accounts of the Defense Business Operations Fund, subject to such instructions as the Comptroller of the Department of Defense may issue after coordination with the appropriate departmental officials (including instructions relating to funding of operations of Service-unique or theater-assigned transportation assets).

3. The authority and duties of the Secretary of Defense under Section 2218 of reference (a) are delegated and assigned to the Comptroller of the Department of Defense. In the exercise of this authority, the Comptroller of the Department of Defense shall make available the funds of the National Defense Sealift Fund in accordance with applicable law to:

   a. CINCTRANS, with respect to funds in the National Defense Sealift Fund for operations, maintenance, and lease or charter of national defense sealift vessels
(other than such vessels that are Service-unique or theater-assigned transportation assets); and

b. the Secretary of the Navy, with respect to other funds in the National Defense Sealift Fund.

G. RESPONSIBILITIES

1. The CINCTRANS shall execute the mission set forth in Section D. and to that end shall:

a. exercise combatant command of the Military Traffic Management Command of the Department of the Army, the Military Sealift Command of the Department of the Navy, and the Air Mobility Command of the Department of the Air Force, in time of peace and time of war;

b. exercise combatant command of all transportation assets of the Military Departments, except for Service-unique or theater-assigned transportation assets;

c. be the Department of Defense single manager for transportation, other than Service-unique or theater-assigned transportation assets;

d. have the authority to provide management support for Service-unique or theater-assigned transportation assets to the Secretaries of the Military Departments and the commanders of unified and specified commands; and

e. submit as necessary from time to time to the Secretary of Defense, through the Chairman of the Joint Chiefs of Staff, the Under Secretary of Defense for Acquisition and such other department officials as may be appropriate, for approval any changes to transportation, fiscal, procurement or other Department of Defense policies that may be appropriate to implement this Directive.

2. The Secretaries of the Military Departments shall:

a. after coordination with the Chairman of the Joint Chiefs of Staff, assign the Military Traffic Management Command of the Department of the Army, the Military Sealift Command of the Department of the Navy, and the Air Mobility Command of the Department of the Air Force, in time of peace and time of war, to CINCTRANS under CINCTRANS combatant command;

b. after coordination with the Chairman of the Joint Chiefs of Staff, assign all transportation assets of the Military Departments to CINCTRANS under CINCTRANS combatant command, except that they may withhold assignment of Service-unique or theater-assigned transportation assets;

c. organize, train, and equip forces for assignment to CINCTRANS; and

d. program and budget for the organizing, training, and equipping of forces for assignment to CINCTRANS.

3. The Chairman of the Joint Chiefs of Staff shall:
a. submit as necessary from time to time to the Secretary of Defense, after coordination with the Under Secretary of Defense for Acquisition, CINCTRANS, and such other departmental officials as may be appropriate, for approval:

   i. any needed changes to procedures for submission of transportation movement requirements to CINCTRANS; and

   ii. any changes to the transportation movement priority system necessary to ensure its responsiveness to the commanders of the unified and specified commands and other Department of Defense components requiring transportation services.

b. after appropriate coordination, recommend to the Secretary of Defense for approval forces for assignment in accordance with Section 162 of reference (a) to CINCTRANS.

4. The Comptroller of the Department of Defense shall:

   a. issue, after coordination with appropriate departmental officials, such instructions as may be necessary relating to the use of funds in transportation accounts of the Defense Business Operations Fund consistent with Section F.2. above; and

   b. administer and manage the National Defense Sealift Fund consistent with Section F.3. above.

H. EFFECTIVE DATE AND IMPLEMENTATION

1. This Directive is effective immediately.

2. In the event of any conflict between this Directive and DOD Directive 4500.9 (reference (c)), this Directive governs. The Under Secretary of Defense for Acquisition shall carry out the responsibilities assigned by Section D.1. of DOD Directive 4500.9.

3. Nothing in this Directive affects the authority of the Assistant Secretary of Defense for Legislative Affairs under DOD Directive 4515.12 (reference (d)).

Donald J. Atwood
Acting Secretary of Defense
MEMORANDUM OF AGREEMENT

BETWEEN

THE DEPUTY ASSISTANT SECRETARY OF DEFENSE (LOGISTICS)

AND

THE RESEARCH AND SPECIAL PROGRAMS ADMINISTRATOR
DEPARTMENT OF TRANSPORTATION

CONCERNING

THE CIVIL RESERVE AIR FLEET PROGRAM

WHEREAS the Secretary of Transportation and the Secretary of Defense have signed a Memorandum of Understanding (MOU), dated September 25, 1987, concerning the Civil Reserve Air Fleet (CRAF) program; and

WHEREAS the MOU provides for joint Department of Defense (DoD) and Department of Transportation (DOT) implementation of the MOU and such supplemental agreements as deemed essential to carry out the MOU; and

WHEREAS this responsibility for developing a supplemental agreement was jointly assigned to the Deputy Assistant Secretary of Defense for Logistics, DoD, and the Research and Special Programs Administrator, DOT:

NOW, THEREFORE, it is agreed between DOT and DoD that:

1. The CRAF is a program:

   a. In which DoD, normally by contractual arrangement, makes provisions for using aircraft of certificated US civil air carriers that own or otherwise control such aircraft.

   b. In which DoD uses the DOT allocated and/or contractually committed capability of the air carriers to augment the military airlift capability of DoD in a declared defense-oriented national emergency or in defense-oriented situations short of such a declared national emergency, and to satisfy DoD airlift requirements.

   c. Under which DoD arranges for civil airlift augmentation under the categories described below:
(1) Peacetime Commercial Augmentation. This is airlift required to support normal day-to-day peacetime augmentation requirements of DoD. The Commander, Military Airlift Command (MAC), obtains this support from air carriers through annual airlift services contracts.

(2) CRAF Stage I. This stage involves DoD use of civil air resources that air carriers will furnish to DoD to support substantially expanded peacetime military airlift requirements. The Commander, MAC, may authorize activation of this stage and assume mission control of those airlift assets committed to CRAF Stage I.

(3) CRAF Stage II. This stage involves DoD use of civil air resources that the air carriers will furnish to DoD in a time of defense airlift emergency. The Secretary of Defense, or his designee, may authorize activation of this stage permitting the Commander, MAC, to assume mission control of those airlift assets committed to CRAF Stage II.

(4) CRAF Stage III. This stage involves DoD use of civil air resources owned by a US entity or citizen that the air carriers will furnish to DoD in a time of declared national defense-oriented emergency or war, or when otherwise necessary for the national defense. The aircraft in this stage are allocated by the Secretary of Transportation to the Secretary of Defense. The Secretary of Defense may authorize activation of this stage permitting the Commander, MAC, to assume mission control of those airlift assets committed to CRAF Stage III consistent with the terms of the MOU.

d. Composed of US registered aircraft which a US entity or citizen owns, controls or operates and are needed to satisfy varying levels of defense needs. DOT will allocate to CRAF Stage III, aircraft best suited to meet specific DoD needs irrespective of whether such aircraft are contractually committed by air carriers to DoD.

2. Department of Defense Responsibilities. The DoD will determine the number and types of aircraft needed to augment military airlift resources in the most demanding national defense-oriented emergencies (CRAF Stage III) as well as in less demanding defense-oriented emergencies, for CRAF Stage I and II.

a. In determining the number and types of aircraft required for CRAF Stage III, DoD will consider three factors:

(1) Potential numbers of personnel and volume of cargo to be transported to various destinations.

(2) The average payloads to be achieved per flight.
(J) The potential operating requirements and conditions and their impact on aircraft utilization rates.

b. DoD will advise DOT each January of the number and types of aircraft, by segment of use, needed in CRAFT Stage III for the ensuing one-year period. This request will be based on the most demanding defense-oriented airlift requirements that DoD expects to support. The data will include passenger-miles per day, and ton-miles per day or frequency of service for the international long-range and short-range segments, and number and types of aircraft for the aeromedical, Alaskan, and domestic segments. DoD will also provide load factors and flying hour utilization rates used in military planning, upon which the requirements for number and types of CRAFT aircraft are developed. The data will indicate the number of aircraft needed to meet time-phased movement requirements, by segment, through the initial 180-day period.

c. In addition to the annual request, DoD may, on a monthly or more frequent basis, request changes to the allocations of aircraft. The Commander, MAC, as the Executive Director of the Single Manager Operating Agency for Airlift Service, will request such changes.

d. If advised by DOT that the size of CRAFT Stage I or II will have a significant adverse impact on the civil air carrier industry's ability, as a whole, to provide essential service, DoD will adjust the size of the stages or provide DOT with justification for maintaining the size of those stages.

e. The Commander, MAC, will expeditiously advise the Office of Emergency Transportation of DoD's intention to activate any CRAFT stage or portion thereof.

f. When activated, CRAFT aircraft are under the "mission control" of DoD, while remaining a civil resource under the operational control of the responsible US entity or citizen.

g. MAC will provide information to DOT on a monthly or more frequent basis as to:

(1) The number of aircraft committed to each stage of the CRAFT by carrier, type, and segment of planned use.

(2) Following activation of any stage of CRAFT, the number of aircraft not activated, identified by their US registration number, carrier, type, and segment of use.

(3) The release of any CRAFT aircraft after the CRAFT mission or missions for which the aircraft was activated has been completed.
3. **Department of Transportation Responsibilities:**

   a. DOT will allocate specific types of aircraft to CRAF Stage III, by segment, for use during national defense-oriented emergencies based on stated DoD requirements. All allocation actions requested by DoD and made by DOT will include recognition of the broad civil and military mobilization planning guidance prescribed in Presidential Directives.

   b. DOT will use the time-phased aircraft requirements and specific justification data provided by DoD for planning purposes only. Since the data does not represent specific daily workloads, it will not be used for the preplanned, automatic-phased release of allocated aircraft from CRAF Stage III.

4. **DoD and DOT Joint Responsibilities:**

   a. Should DOT determine that aircraft previously allocated to CRAF Stage III are needed to satisfy higher priority national needs, DOT will notify DoD of the pending reallocation of aircraft from Stage III. If DoD determines the pending reallocation jeopardizes the execution of OJCS approved plans, DoD will advise DOT of the basis for that determination and request DoD retain the original allocation.

   b. In the event of activation of CRAF Stage III, DoD may not immediately need all of the aircraft allocated to it. Such aircraft will remain with the air carrier or US citizen or entity and be available to DOT. DOT may redirect these aircraft to meet other requirements during the emergency.

5. **Allocation Arbitration:** Either party to this agreement may present issues regarding the allocation or reallocation of aircraft committed or withdrawn from CRAF to the Director of the Federal Emergency Management Agency for resolution.

6. **Administration:**

   a. The Director of Emergency Transportation, Research and Special Programs Administration, DOT, will implement and administer this agreement for DOT and serve as liaison with DoD.

   b. The Deputy Assistant Secretary of Defense for Logistics will implement and administer this agreement for DoD in all matters other than operational and mission control matters. The Commander, MAC, has designated the Assistant for Civil Air, Headquarters MAC, to be the representative and point of contact for operational and mission control matters.
c. The parties designated in paragraphs 6.a. and 6.b. above may enter into further agreements necessary to improve the efficiency and effectiveness of the CRAF program and other airlift required to support national security purposes.

7. **Effective Date:** This agreement is effective as of the date of execution indicated below and may be amended by mutual consent of the parties identified in paragraph 6 of this agreement.

8. **Termination:** This MOA will automatically be terminated upon termination of the MOU.

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John A. Mittino  
Deputy Assistant Secretary (Logistics)  
Office, Secretary of Defense  
Date: 13 OCT 1967

M. Cynthia Douglass  
Administrator, Research and Special Programs  
Department of Transportation  
Date: 1 JU NOV 1967
MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF DEFENSE
AND
THE DEPARTMENT OF TRANSPORTATION
CONCERNING
COMMERCIAL AIR CARRIER SAFETY INFORMATION

WHEREAS the Secretary of Defense is responsible under Chapter 157 of Title X, United States Code, for issues relating to the charter air transportation of members of the Armed Forces, and for the air movement of Department of Defense (DoD) personnel via commercial airlift in peacetime as well as during contingencies and war; and

WHEREAS the Administrator of the Federal Aviation Administration (FAA) of the Department of Transportation (DOT) is responsible under Title VI of the Federal Aviation Act of 1958, to ensure that commercial air carriers meet and maintain safety standards and equipment;

NOW THEREFORE, it is agreed between the DoD and the DOT as follows:

1. The DoD and the DOT shall share information and cooperate in the development of a national information management database which will enable both agencies to fulfill their statutory responsibilities regarding commercial air carrier fitness and safety.

   a. The FAA Aviation Safety Analysis System (ASAS) and information provided by the DoD Air Carrier Survey and Analysis Office will be used, in addition to other data, to create and maintain this management data base.

   b. The DoD and the DOT shall, based on mutual consent as to the scope of this project, provide sufficient resources to develop this interdepartmental data base.
Subject: MOU Between DOT and DoD
Re: Commercial Airline Safety

From: Matthew V. Scocozza
Assistant Secretary for Policy and International Affairs

To: Jim Burnley, Deputy Secretary

Date: SEP 15 1987

After the 1985 crash in Gander, Newfoundland, of a charter airline carrying military personnel, DoD began working closely with FAA and OST to improve DoD's ability to identify and act upon potential safety problems of carriers serving DoD.

One outcome of these efforts is DoD's proposal, embodied in the attached MOU, for joint DoD-DOT development and use of a database of safety and service information on carriers. This database, the foundation for which has already been largely put in place by FAA, would be overseen by a review committee composed of the Deputy Assistant Secretary for Policy and International Affairs, FAA's Associate Administrator for Aviation Standards, and counterpart officials from DoD.

Deputy Secretary of Defense Taft has signed the attached MOU. I recommend that you sign it as well.

Attachment
2. The DoD and the DOT shall form a working group composed of the Director, DoD Air Carrier Survey and Analysis Office, the Chief, DOT Air Carrier Fitness Division, and the Program Manager, FAA Headquarters ASAS, to integrate activities and implement the purposes of this agreement.

3. The DoD and the DOT agree to form a review committee to include the Deputy Assistant Secretary of Defense for Logistics, the Deputy Assistant Secretary of Air Force for Logistics, the Deputy Assistant Secretary of Transportation for Policy and International Affairs, and the FAA Associate Administrator for Aviation Standards, to periodically review system development plans, programs, and implementation actions.

4. Points of Contact

   a. Department of Defense. The Secretary of the Air Force, as the Single Manager for Airlift Services for the DoD, through his designee, the Commander in Chief, Military Airlift Command, is the point of contact and will administer this Memorandum of Understanding (MOU) for the DoD.

   b. Department of Transportation. The Deputy Assistant Secretary for Policy and International Affairs and the Associate Administrator for Aviation Standards of the FAA will serve as the points of contact with the DoD and will implement and administer this MOU for DOT.

5. Review and Amendment. This agreement may be amended at any time by mutual agreement. At a minimum it shall be reviewed every five years by the DoD and the DOT.

6. Effective Date. This MOU shall be effective as of the date of execution indicated below for a period of five years, unless extended or modified by mutual agreement.

William H. Taft IV  
Deputy Secretary of Defense  
Date: 17 AUG 1987

Jim Burnley  
Deputy Secretary of Transportation  
Date: 9/24/87
AGREEMENT OF INDEMNITY BETWEEN
THE SECRETARY OF DEFENSE AND
THE SECRETARY OF TRANSPORTATION

WHEREAS, the Department of Defense enters into airlift contracts on a recurring basis to provide sufficient augmentation of military aircraft capabilities for international and overseas air transportation regularly required by the Department of Defense, including emergency airlift requirements;

WHEREAS, such airlift operations may be jeopardized to the detriment of the national defense by reason of the unavailability of adequate insurance on reasonable terms and conditions to persons designated by the Department of Defense to perform these operations;

WHEREAS, the Secretary of Defense has requested that non-premium insurance under the provisions and subject to the limitations of Title XIII of the Federal Aviation Act of 1958, as amended, (hereinafter referred to as the Act) be made available by the Secretary of Transportation to such persons, when required, in order to assure uninterrupted airlift operations;

WHEREAS, Section 1304(b) of the Act authorizes the Secretary of Transportation, with the approval of the President, to provide insurance at the request of the Secretary of Defense without premium in consideration of the agreement of the Secretary of Defense to indemnify the Secretary of Transportation against all losses covered by such insurance; and

WHEREAS, Section 1304(b) of the Act further authorizes the Secretary of Defense to execute an indemnity agreement with the Secretary of Transportation;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Secretary of Defense hereby agrees to indemnify the Secretary of Transportation, to the extent contemplated by Section 1304(b) of the Act, against all losses covered by insurance made available by the Secretary of Transportation, at the request of the Secretary of Defense, in connection with Department of Defense airlift contracts with persons designated by the Department of Defense, as hereinabove described.
2. In consideration of this agreement to indemnify, the Secretary of Transportation hereby agrees to provide, at the request of the Secretary of Defense, without premium and to the extent permitted by the Act and implementing regulations now or hereafter adopted by the Secretary of Transportation, insurance to those persons as hereinbefore described by the Department of Defense.

[Signatures]

Secretary of Defense

Secretary of Transportation

APPROVED: April 12, 1990.

[Signature]

The President of the United States