



JNI 24 2005

GSA Office of the Chief Acquisition Officer

MEMORANDUM FOR ED DAVIS
PROGRAM ANALYST
TRAVEL-MANAGEMENT POLICY (MTT)

FROM: RALPH J. DESTEFANO, DIRECTOR
REGULATORY AND FEDERAL ASSISTANCE PUBLICATIONS
DIVISION (V)

SUBJECT: FTR Case 2003-309, Relocation Allowances

Attached are comments received on the subject FAR case published at 69 FR 68111; November 23, 2004. The comment closing date was January 24, 2005.

<u>Response</u> Number	Date Received	Comment Date	Commenter
2003-309-1	12/07/04	12//07/04	L. Nadeau, Jr.
2003-309-2	01/03/05	01/03/05	Doris Jones
2003-309-3	01/03/05	01/03/05	Doris Jones
2003-309-4	01/11/05	11/04/05	Mary Woleske
2003-309-5	01/06/05	01/06/05	Department of Treasury
2003-309-6	01/12/05	01/12/05	Corporate Relocation Services
2003-309-7	01/12/05	01/12/05	Federal Travel Consultant and Trainier
2003-309-8	01/19/05	01/18/05	Cendant Mobility
2003-309-9	01/14/05	01/14/05	NOAA
2003-309-10	01/18/05	01/18/05	Department of Justice
2003-309-11	01/24/05	01/24/05	000
2003-308-12	01/19/05	01/18/05	DI-IS

<u>Response Number</u>	<u>Date Received</u>	<u>Comment Date</u>	<u>Commenter</u>
2003-309-13	01/24/05	01/24/05	NTEU
2003-309-14	01/24/05	01/24/05	AFGE
2003-309-15	01/24/05	01/21/05	DOD (DA)
2003-309-16	01/24/05	01/24/05	HUD
2003-309-17	01/24/05	01/25/05	Department of Interior
2003-309-18	01/24/05	01/24/05	DOD/Navy-OCHR
2003-309-19	01/24/05	01/24/05	GELCO
2003-309-20	01/24/05	01/25/04	AMSA
2003-309-21	01/24/05	01/24/05	Lesley Oden
2003-309-22	01/24/05	01/24/05	Paul Dixon
2003-309-23	01/24/05	01/24/05	SSA (Ron Sayers)
2003-309-24	01/24/05	01/24/05	GAO (Ralph Bucksell)
2003-024-25	01/24/05	01/24/05	IMPACT Group
2003-309-26	01/24/05	01/24/05	EPCS Support Services, LLC
2003-309-27	01/25/05	01/25/05	Scott Newman
2003-309-28	01/31/05	01/31/05	IRS
2003-309-29	02/01/05	02/01/05	Department of Treasury (BPD)
2003-309-30	06/30/05	07/01/05	Governmentwide Relocation Advisory Board
2003-309-31	03/01/05	03/01/05	Department of Veterans Affairs

Subject: FTR case 2003-309

FTR 2003-309-1

Date: December 7, 2004

I have the following comment regarding the proposed amendment to section 302-5.11 of the FTR to reduce the maximum allowable number of days for a house hunting trip from 10 to 8 calendar days, to be in line with industry practices;

I suggest keeping the maximum allowable number of days for a house hunting trip to 10 days.

Reducing the allowable days to 8 merely to "...to be in line with industry practices;" is not adequate justification. In a very tight housing market where demand exceeds supply, sufficient house hunting time is necessary to allow the Federal employee an opportunity to find an affordable home. It is well known that salaries of Federal employees are not commensurate with salaries of comparable industry employees. Thus, while private industry employees allow only 8 house-hunting days, such employees typically have higher salaries and therefore are more likely to find an affordable home in fewer days than a Federal employee.

Before making a decision to amend section 302-5.11 of the FTR, I suggest a study that compares Federal salaries to private industry salaries and the impact reducing the number of house hunting days will have on the Federal employee. The reduction of house hunting days to 8 may have a far greater adverse financial impact on the Federal employee than the anticipated savings to the government. An employee who rushes to buy a home that he or she can not afford will likely incur financial problems that will inevitably affect the quality of his or her work. Such "hidden" costs should be considered in any such decision.

Thank
you.

I. NADEAU JR.

File 2003-309-2



..Doris Jones"
<vzeeh876@verizon.net>

To: ftrcase.2003-309@gsa.gov

cc:

Subject: [Docket No: 3090-AH91];[FR Doc: 04-25890];[Page 68111-68119];
Federal travel: Relocation allowance

01/03/2005 09:08 PM

Comment on Sec. 302.6.100

You changed the percentages for TQSE reimbursement under the actual expense method. But it is not clear whether the "maximum daily amount" is still the standard CONUS rate for temporary occupancy in CONUS.

Should readers assume that the standard CONUS rate is still the "maximum daily rate" under actual TQSE reimbursement?

The language in section is very clear, but Sec. 302-6.100 is less clear especially for users who may not be familiar with the FTR.

D.Jones

FR 2003-309-3



..Doris Jones"
<vzeeh876@verizon.net>

To: ftrcase.2003-309@gsa.gov

cc:

Subject: [Docket No: 3090-AH91];[FR Doc: 04-25890];[Page 68111-68119];

Federal travel: Relocation allowance

01/03/2005 09:25 PM


Comment of Appendix A to Part 302-7. How to Calculate a Constructive Cost (CC)

I do not understand how this constructive relates to part 302-7 HHG. Since the calculation explains how to calculate a CC temporary duty trip, how does this relate to HHG and UAB? This part appears misplaced in this section.

Also, if the intent is to explain how to compare CC with actual costs, you should also include an example of actual travel by POV instead of traveling by air.

In other words, you should show examples for both CC and the employee's actual travel by POV so users can see how to calculate and compare the total costs for common carrier and travel by POV if employee elects to travel by POV.

D. Jones



January 4, 2005

Re:FTR case 2003-309

General Services Administration
Regulatory Secretariat (V) 1800
F Street NW, Room 4035 ATTN:
Laurie Duarte Washington D.C.
20405

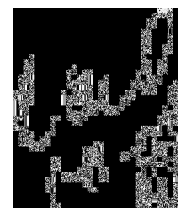
Comments concerning FTE case 2003-309

The relocation allowance fails to address the single person penalty imposed by calculating per diem while in transit and in temporary quarters to the flat rate per diem when relocating to a high cost duty location. The Standard CONUS per diem rate does not begin to cover lodging expenses for a single traveler relocating to a high cost area. The policy should be changed to allow claims based on the locality per diem rate. For example the current Standard CONUS per diem rate for Atlanta, GA area is Lodging \$60 and M& IE of \$31 while the locality per date rate is Lodging \$113 excluding tax and M & IE of \$43.

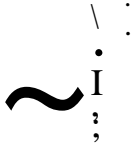
The policy should also be changed to specify time frame guidance for Agencies to process a RITA voucher or a change made in the allowable advance to provide better management of relocation practices and programs. A RITA voucher submitted to an Agency during April, 2004 was not paid until November 2004 (Seven months). This is not the only instance of less than timely Agency processing during the same period. The reason given was the lack of a software program update. This certainly would not meet the private sector standard for timeliness.

Sincerely,

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FTR 2003-309-5



David. Hesch@fms.treas.gov
s.gov
01/06/2005 10:27 AM

To: ftrcase.2003-309@gsa.gov
cc: angel.ray@do.treas.gov, Sharon.Thomas@fms.treas.gov,
Lena.Brown@fms.treas.gov, Rodney.Dogan@fms.treas.gov,
Dorrice. Roth@fms.treas.gov,
.Stewart@fms.treas.gov
Subject: FTR Case 2003-309

Comments: Department of Treasury
Financial Management Service

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FTR_Relocation _ Benefit_Changes. (

FMS Comments to Proposed Policy Changes

Federal Employee Relocation Benefits - FTR Case 2003-309

The proposed rule changes include:

- . Reducing the maximum length of a move from four years to two;
- Reducing the maximum number of days for house-hunting trips from 10 to 8;
- . Requiring the commute to a new job location to increase by at least 50 miles to be considered a relocation;
- Reducing maximum the number of days allowed for household goods temporary storage from 180 days to 150 days.

We have no comment on the above changes, but the Financial Management Service (FMS) sees a major problem in other proposed rule changes for household goods storage.

The FTR rule changes (Section 302-7.9) establish an inappropriate linkage between household goods (HHG) storage and temporary quarters subsistence expenses (TQSE).

Section 302-7.9 states the following:

"The number of days authorized for HHG storage must coincide with the number of days authorized for TQSE."

The example in the proposed change states that if TQSE is authorized for 60 days, storage of household goods must be equal to the number of days authorized for TQSE plus a reasonable number of days for delivery from the storage location (not to exceed 14 days).

By this rule, a federal agency may not approve storage of household goods, unless the agency also authorizes temporary quarter's subsistence expenses for an equal number of days.

- The agency should be able to authorize HHG storage without authorizing TQSE.
- New employees are entitled to HHG storage but they may not receive TQSE.
- Transferring employees are entitled to HHG storage but TQSE is given only at the discretion of the agency.
- Employees without TQSE have many possible reasons for needing RHO storage:
 1. Non-availability of suitable housing;
 2. Awaiting purchase of the permanent residence;
 3. Awaiting construction of the permanent residence;
 4. Business travel;
 5. Serious illness of the employee, or;
 6. Other circumstances beyond control of the employee.

FMS recommends that federal agencies be allowed to authorize at least 60 days of HHG storage without authorizing TQSE.

FTR 2003-309-6



FEDERAL TRADE COMMISSION

8001 Forhes Place, Suite 103 • Springfield, Virginia 22151 .(03) :121.0700. (888) 764-5455. Fax (703) 321-2778

January 12, 2005

Laurie Duarte
General Services Administration
Regulatory Secretariat (V)
] 800 F Street NW
Room 4035
Washington, DC 20405

Subject: Comments on FTR Case 2003-309
Via Email: ftrcase.2003-2091@gsa.gov

Dear Ms. Duarte:

Corporate Relocation Services); (C .R.S.) is a GSA industJy partner providing full service relocation management to Federal agencies. We appreciate the opportunity to comment on the proposed amendments to the Federal Trade Regulation (FTR, Case 2003-309). We are pleased to support the majority of the changes. There are only two issues that we hope you might reconsider as they could have adverse and unexpected results even though on the face they appear reasonable,

- 1. We do not believe that the number of days ofTQSE and days of SIT should be tied to each other. AJJ too often there are legitimate and valid reasons to keep household goods in storage longer than one might be in temporary quarters. There are incidents of leave, training or temporary assignments. As for the total number of days, we would recommend 150 maximum in extreme circumstances with a more reasonable limit of an initial 30 with 15 day increments to lanow.
- '' Our second issue is on the required cost reporting system. While we have no trouble at all with the concept of reporting costs. w,; would encour::\g\~ GSA to provide ;;om... specificity to this requirement. If CISA were to tell us what cost elements they want captured, we would be delighted to prO~Tam our reporting systems accordingly. We do not see the need to purchase an outside system from a contractor as we believe our internal systems could provide the necessary data, but ifCISA were to purchase and/or require a specific system. CR.S, would comply with a government mandate.

If) OL nt,cd clariicaLion or h~ \';: any qm:::tion:, OJI d::: ub.J\ "issu...;:, please contact me, astoddard(4].crsontheweb.com or (877) 510.4200.

Sincerely,

ArthurH. Stoddard, CRP
Vice PresideP.t

Agency: GENERAL SERVICES ADMINISTRATION
Title: Federal Travel Regulation; Relocation Allowances
Subject Category: Federal travel: Relocation allowance
Docket ID : 3090-AH91
CFR Citation: 41 CFR 300-3, ETC.
Published: November 23,2004
Comments Due: January 24, 2005
Phase: PROPOSED RULES



Your comment has been sent. To verify that this agency has received your comment, please contact the agency directly. If you wish to retain a copy of your comment, print out a copy of this document for you

Please note your REGULATIONS.GOV number.

Regulations.gov #: EREG - 2 Submitted Jan 09,2005

Author: Ms. Doris Jones

Organization: Federal Travel Consultant and Trainer

Mailing Address:

Attached Files:

Comment: For PCS mileage, if an employee has two or more POV s, is the IRS mileage reimbursement (14 cents) paid for each vechicle approved for PCS mileage?

This needs clarification in your explanation of changes since the FTR provides authority for use of more than automobile when employees drive from old to new, stations.

CENDANT
Mobility

Cindy Salter, CRP *Senior*
Vice President Government &
Military Markets

via courier and e-mail: ftrcase.2003-309@gsa.gov

January 18, 2005

General Services Administration
Regulatory Secretariat (V)
1800 F Street, NW - Room 4035
Attn: Ms. Laurie Duarte
Washington, DC 20405

Subject: Office of Governmentwide Policy, General Services Administration (GSA)
Proposed Rule: Federal Travel Regulation; Relocation Allowances
Comments on FTR Case 2003-309

Dear Sir/Madam:

Cendant Mobility Services Corporation (Cendant Mobility) appreciates the opportunity to submit this comment letter in response to the General Service Administration's (GSA) Proposed Rule concerning the above Rule published in the Federal Register November 23, 2004.

Cendant Mobility is the largest provider of relocation services worldwide. We manage over 100,000 relocations annually and serve over 1,700 corporate and government clients. We have provided benefits to the government since 1984, when we were awarded the first federal relocation contract. We appreciate the opportunity to comment on the proposed amendments to the Federal Travel Regulation (FTR, Case 2003-309) and look forward to working with the Office of Governmentwide Policy.

As an industry partner to GSA and Federal Agencies we hope that our comments are useful to you in deliberating the final rules on government wide permanent change of station policies. Our comments are generally supportive of all the recommended modifications (see Attachment 1); however we do have concerns with some of the proposals. These comments/concerns and recommendations can be found at Attachment 2. Finally, at Attachment 3 we have offered other suggestions for your consideration along with our rationale for these recommendations.

If you need clarification or have any questions, please contact me at (301) 215-4412, or at cindv.salter@celandantmobility.com.

Sincerely,



Cindy Salter, CRP

CDS:KH/gg

CENDANT MOBILITY

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CENDANT
Mobility

SUPPORT FOR PROPOSED RULES

Proposed Rule	Cendant Mobility Comments
<p>1. Amends Section 300-3.1 to add definitions:</p> <ul style="list-style-type: none"> - accompanied baggage - unaccompanied air baggage <p>Change Definitions:</p> <ul style="list-style-type: none"> - Household Goods - Non-foreign area 	<p>Cendant Mobility Services supports these definition changes. We are particularly supportive of adding unaccompanied air baggage to the household goods shipment entitlement.</p>
<p>2. Amends Sections 302-2.8, 302-2.9, 302-2.10, 302-2.11 and 302-2.110 to reduce length of time to complete a relocation from two years to one year and reduces extension from two years to one year.</p>	<p>Cendant strongly supports this reduction in time allowable for completion of a relocation for all Federal employees. The proposed change:</p> <ul style="list-style-type: none"> • Is more in line with Corporate policies • Eases the management and administrative burdens to agencies, relocation companies, and employees • Decreases the likelihood of lengthy family separation and its associated monetary and emotional costs • Makes budgeting easier and allows for more efficient accounting. <p>Please note that with this and with all of the FTR policies, Cendant believes that agencies must have the discretion and flexibility to make exceptions on a case-by-case basis when the need arises to meet mission requirements.</p>
<p>3. Adds two new sections to part 302-2 and amends section 302-2.100 to require disclosure statements to ensure the Government does not pay for relocation expenses that are paid by another Government or private source.</p>	<p>Cendant supports the proposed rule, which is consistent with private sector practices.</p>

www.cendantmobility.com

Proposed Rule

Cendant Mobility Comments

4. Adds seven new sections to part 302-2, subpart B, to define relocation programs, relocation payment systems, and relocation management reporting.

Cendant Mobility supports the requirement for a relocation payment system and relocation management reporting. Private industry typically uses an integrated system through a single supplier with capability to meet the requirements stated in both of these sections. This increases management reporting, accountability and fiscal control. Private industry typically uses their relocation management company as the supplier source.
5. Adds two new sections to part 302-3, subpart B, which requires all separation travel and HHG transportation to begin no later than six months after date of separation or date of death of the employee who died before separation, with a possible two-year extension.

Cendant supports this amendment, especially the provision for an extension, if needed, by the family.
6. Revises section 302-4.300 to reduce mileage rate for relocation in line with Internal Revenue Service (IRS) relocation reimbursement for moving-expense deductions.

Cendant supports this revision.
7. Re-designate term "fixed amount" to "lump sum". Amends sections 302-5.13, 302-5.16, 302-5.18, 302-5.101, 302-5.103, 302-6.11, 302-6.12, 302-301, and 302-6.304.

This change in terminology brings the government and private sector into agreement.
8. Revise section 302-7.2 definition of 18,000 lbs. to exclude packing materials.

Cendant supports the proposed rule. However, the government should note that private industry typically does not limit shipment size for relocating families.
9. Revise section 302-7.300 to provide agency option for UAB shipment.

Cendant supports the proposed rule.
10. Revise section 302-7.9 limiting maximum days of SIT to a total of 150 and requiring that the number of days of SIT parallel days of TQSE. Further revise 302-7.10 to reduce SIT initial period from 90 to 60 days.

Cendant supports the proposed rule to reduce the eligibility period for SIT. Please see our discussion in (Attachment 2,3) on limiting TQSE to 60 days maximum. Further, we would like to clarify that the FTR now limits TQSE to 120 days total and this change would, in effect, increase TQSE by 30 days to a maximum of 150 days. Cendant does not recommend the increase to TQSE. The government provides substantially greater benefits in this area than private industry. Private industry average usage rate for SIT is 60 days and 45 days for TQSE.

Proposed Rule	Cendant Mobility Comments
II. Unaccompanied air baggage 350 lbs. (under 12 175 lbs.) CONUS to OCONUS. Between OCONUS and OCONUS to CONUS.	Cendant supports the proposed rule.
12. Adds another condition to 302-9.30 I that agencies must consider before authorizing transportation of a POV within CONUS to assure that agencies are not domestically transporting POVs when the cost of transportation is more than the value of the POV.	Cendant supports this proposed rule. but we believe that the guidance in the proposed condition (d) should specify that the use of the printed version of either the NADA Guide or Kelly Blue Book effective at the time of shipment, except for historic or antique vehicles. For historic or antique vehicles the employee must submit documentation establishing the vehicle's value.
13. Revises 302-9, subpart F. to limit the number of POVs shipped to 2	Cendant supports this proposed rule.
14. Amends section 302-9.504 and 302-9.505 to limit POV shipping of distances 600 miles or more.	Cendant supports this proposed rule. However, we recommend a further reduction in the mileage requirement to 350 miles or the equivalent of one day's travel.
15. Revises section 302-11.21 to follow IRS Pub. 521 guidelines requiring commute to new job location increase by 50 miles.	Cendant recommends that agency discretion should be allowed for exceptions where the metropolitan area traffic conditions might make the rule unreasonable due to commute times.
16. Revises sections 302-11.21 and 302-11.22 to reduce time limit to submit claims and extensions to submit claims for residence transactions each from two years to one year.	Cendant supports reduction of the eligibility period to one year. However, we recommend that the government follow private industry and not allow additional extensions, except in hardship situations.
17. Amends section 302-11.200 to clarify that reimbursements on residence transactions expenses are limited to amounts customarily charged for the area of the residence	Cendant supports this proposal, but recommends that even tighter wording is necessary to insure that locality is interpreted to include the community, county, and state in which the residence is located. This should specifically exclude any expense termed as a "buyer" expense in a locality.
18. Revises 302-15.70 to allow property management service payments directly to government employee.	Cendant supports this proposal, but we caution that GSA should define what the allowable expenses are for property management reimbursement. Without clear definition agency managers will have trouble determining justifiable costs.



CENDANT
Mobility

Attachment 2

MODIFICATION OF PROPOSED RULES

Proposed Amendments	Cendant' Recommendations	Rationale
<p>1. Amends section 302-5.11 to reduce the maximum allowable number of days for a househunting trip from 10 to 8 calendar days.</p>	<p>Cendant recommends that the allowance remain at 10 days, further we suggest that the provision for consecutive days be deleted and changed to "not to exceed a total of 10 days".</p>	<p>This is an unnecessary reduction in benefits and one that could serve to be more costly in the long run. Househunting trips are a proven method to reduce and/or minimize SIT and TQSE expenses which are far more expensive than a day or two of househunting for the employee and/or spouse. Agencies should be trained to manage househunting in partnership with their employees and relocation service suppliers to maximize its overall benefits to the total program costs.</p>
<p>2. Adds new section to part 302-5.14, subpart B. to establish a threshold of 250 miles for which mode of transportation (Public or common carrier) should be authorized for househunting trip.</p>	<p>Cendant disagrees with this limitation to 250 miles for POY. We agree that agencies should manage this as part of the househunting process.</p>	<p>The rationale that applies to not limiting househunting trips to 8 consecutive days also applies to this requirement. The employee should request and the agency should grant househunting not to exceed 10 days in total by the most cost-effective method available.</p>
<p>3. Revise part 302-6, subpart C to encourage use of lump sum payments. Includes factors to consider when offering lump sum (302-6.30<1). Adds subpart D requiring employees to certify that TQSE will be incurred, and that TQSE lump sum must be paid prior to occupancy of temporary quarters.</p>	<p>Cendant agrees completely with the use of lump sum payments, but we disagree with retaining the actual expense method. We recommend that the FTR be revised to eliminate actual expense method for TQSE and limit TQSE lump sum to 30 days maximum.</p>	<p>As noted in 302-6.304, when the employee has a pre-certified amount not to exceed 30 days TQSE, then the agencies and the employee save costs in the administration and management of TQSE. There is less paperwork and therefore less administrative expense. The amount can be paid and the books closed. Agency personnel will need to be trained and accountable for managing this process in conjunction with the employee during the employment selection and travel authorization process. By taking a big picture view and incorporating the personnel selection process with the relocation process, agencies would eliminate many of their short notice moves and decrease this cost significantly.</p>





Proposed Amendments	I Cendant Recommendations	Rationale
<p>4. Revises section 302-7.8 for location of temporary storage</p>	<p>Recommend that the FTR state that storage should always be at destination and only in another location upon employee request and agency approval. Further the agency should be directed to require full disclosure by the Transportation Service Provider to the employee as to the location of storage.</p>	<p>Agencies should be tasked with reducing short notice moves and the need for storage through more effective use of househunting trips and the no fee tools available through their relocation management company. Storing goods at the destination location provides employees with ready access to goods, when needed.</p>
<p>5. Revise new section 302-7.21 to specify employee responsible for payment of weight additive (boat, trailer, ultra-light). Weight of vehicle is still part of 18,000 lbs.</p>	<p>Our recommendation is for a blanket rule which states. "if a boat, trailer or ultra-light is authorized as part of the shipment. the agency should pay for the 18,000 lbs. plus packing materials, and no more". Any overage of the total weight, regardless of what caused the overage should be the employee's expense. The only exception to exceeding 18,000 lbs. plus the weight of packing should be the inclusion of agency approved transportation of professional books, papers and equipment (PBP&E).</p>	<p>In order to ease administrative burden a simple blanket rule is easier to manage. rather than a complex paperwork exercise thtl could be the result of this proposed change.</p>



CENDANT
Mobility

Attachment 3

SUGGESTED ADDITIONAL CHANGES TO FTR

Additional Amendments/ Revisions to FTR	Cendant Recommendations	Rationale
<p>I. Amend section 302-11. Subpart C, Reimbursable Expenses, section 302.11.200 (I) (7) Allowance for Expenses Incurred in Connection with Residence Transactions to cap prepayment penalty fees to 3 months interest on the loan balance <i>not to exceed \$6,000 per property.</i></p>	<p>Currently this section reads: <i>Charge for prepayment of a mortgage or other security instrument in connection with the sale of the residence to the extent the terms in the mortgage or other security instrument provide for this charge. Prepayment penalty is also reimbursable when the mortgage or other security instrument does not specifically provide for prepayment, provided the lender customarily charges this penalty, but in that case the reimbursement may not exceed 3 months' interest on the loan balance.</i></p> <p>Cendant proposes that reimbursement for prepayment penalties not exceed an amount equal to 3 months interest on the loan balance in all cases.</p>	<p>The current policy does not limit the government's liability when a prepayment penalty amount is specified in the loan document. Lenders frequently include substantial prepayment penalties for high risk or poor credit loans. Prepayment penalties in these situations can be as high as \$30,000.</p>





"Rita E Argueta"
<Rita.E.Argueta@noaa.
gOY>

01/14/2005 03:56 PM

To: ftrcase.2003-309@gsa.gov
cc: "Ezekiel Dennison" <Ezekiel.Dennison@noaa.gov>. "Victor R Stewart"
<Victor.R.Stewart@noaa.gov>. "Donald H Still"
<Donald.H.Still@noaa.gov>. "Richard Winn" <Richard.Winn@noaa.gov>.
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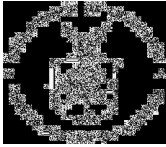
Subject: FTR Case 2003-309

Attached is NOAA's response to FTR Case 2003-309. If you have any questions, please contact Victor.R.Stewart@noaa.gov or (301) 713-2271.

Thank *you*.

D

FTR-Case-2003-309-letter. d



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER
Director of Logistics

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January 14, 2005

MEMORANDUM FOR: Laurie Duarte, Regulatory Secretariat
Office of Government Wide Policy

FROM: Ezekiel Dennison, Jr., Director
Logistics Staff Office

SUBJECT: FTR Case 2003-309

After reviewing the proposed changes to the Federal Travel Regulation; Relocation Allowances, I submit the following comments:

In Section 302-9-301 - Under what conditions may my agency authorize transportation of my POV within CONUS? (d) Your agency must determine that the cost of transporting your POV is not greater than the value of your POV.

I strongly recommend that we continue the to allow employees, at agency's discretion, to ship as a maximum, two vehicles and in accordance with Section 302-9.302; eliminate in accordance with Section 302-9.301 due to the following:

The concept that a POV will not be shipped if the cost of shipping exceeds the value of the POV, could create difficulties for agencies. (1) Opinions will differ on the value of one's vehicle, especially refurbished vehicles that fall below the blue book value. (2) This could create hardships for employees who utilize vehicles in this category. (3) Administrative costs to agencies will be increased due to the vehicle's value determination.

As long as the vehicle is operational, the vehicle value should not limit the employee's entitlement. This would be consistent with the policy used when an employee's household goods should be shipped.

Lastly, I would like to thank you for allowing NOAA the opportunity to comment on the proposed changes.



FTR 2003-309-10



"Trent, Richard L."
<Richard.Trent@atf.gov>
v>

To: laurie.duarte@gsa.gov, ftrcase.2003-309@gsa.gov
cc: "Trent, Richard L." <Richard.Trent@atf.gov>, ed.davis@gsa.gov,
jim.harte@gsa.gov
Subject: Comments on Proposed Rule - FTR Case 2003-309

01/18/2005 03:22 PM

Attached you will find our comments on the proposed rule change.

<<Relocation Proposed Rule & Comments.xls>>

Thank you for the opportunity to provide comments.

hOMe ~helping Others Manage excellence~

Richard L. Trent, Chief,

Travel and Relocation Branch

DOJ - Alcohol, Tobacco, Firearms & Explosives

4th Floor, Headquarters Building, Room 4215

Washington, DC 20226



(Voice) 202-927-7807 (Fax) 202-927-2833 Relocation Proposed Rule & Comment

ISSUE/PROBLEMS

Concurr

Comments

Overall Time Limitations To Incur Relocation Expenses

<ul style="list-style-type: none"> * Reduce the length of time to complete a relocation from two years to one year; * Reduce the length of time for relocation extensions from two years to one year; * Reduce the time limit for submitting claims for residence transactions from two years to one year; and * Reduce the time limit for extensions to submit claims for residence transactions from two years to one year. 	Yes	Improves Outstanding Obligations. Makes employee complete relocation sooner.
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Househunting Trips

<ul style="list-style-type: none"> * Reduce the maximum allowable number of days for a househunting trip from 10 to 8 calendar days. * Establish a threshold for determining which mode of transportation (POV or common carrier) should be authorized for more cost efficient househunting trips; 	Yes	Savings to Agenc/Bureau in two areas: Per Diem Administrative Leave Taken
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Shipment of a Personally Owned Vehicle

<ul style="list-style-type: none"> * Ensure that agencies are not domestically transporting POV's when the cost of transportation is more than the value of the POV; * Limit the number of POV's that may be transported to two; and * Ensure that agencies are not transporting a POV to a post of duty when the cost of transportation is more than the value of the POV and limits agency shipment of a POV to 600 miles or more. 	Yes	ATF currently only pays for up to a maximum of two vehicles only. Eliminates cost of transporting "junk" automobiles when the book value is less than cost of shipping
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Temporary Quarters

<ul style="list-style-type: none"> * Encourage the use of lump sum payments because of the administrative efficiency as well as the potential for cost savings; * Require employees who select lump sum TQSE reimbursement to certify that TQSE expenses will be incurred, and that payment to the employee of TQSE lump will be made prior to occupancy of temporary quarters (TQ); 	Yes	Lump Sum payments result in Administrative Cost Savings to the Agency/Bureau (employee & FMD) ATF employees are incurring TQSE costs.
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Shipment & Storage of Household Goods

<ul style="list-style-type: none"> * Clarify that the definition of 18,000 pounds net weight of household goods does not include packing materials * Clarify where HHG may be temporarily stored; * Revise and redesignate section 302-7.9 limiting the maximum number of days of temporary storage of household goods to a total of 150 and requiring that the number of days allowed parallel the number of days allowed for TQSE; * Reduce the initial temporary storage period from 90 to 60 days; 	Yes	Currently employees are authorized 18,000 pounds for HHG which includes packing materials. This allows employees a full 18K pounds of HHG, plus the added cost of packing materials. No significant cost increase.
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Short Distance Transfers

<ul style="list-style-type: none"> * Amend section 302-11.2 to follow guidelines in Internal Revenue Service Publication 521 Moving Expenses for relocation by requiring the commute to new job location via commonly traveled routes from the old residence increase by at least 50 miles. 	Yes	Updates the FTR to be in compliance with IRS short distance rules. Current ATF policy is distance is 35 miles
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FTR 2003-309-10

Mileage Reimbursement (En-Route Travel) Yes Updates the FTR to be in compliance with IRS .
 * Reduce the mileage rate for relocation to be in line with the Internal Revenue Service (IRS) relocation reimbursement rates.
 A reduction of \$0.01 per mile. No major reduction or impact to the employee.

Real Estate Transactions Yes Clarifies FTR to enable agencies to pay for costs that are unique to a specific locality within the state.
 * Clarify that reimbursement of residence transaction expenses is limited to amounts customarily charged where the residences are located.

Unaccompanied Air Baggage (Foreign Relocations) No Agencies should be given the flexibility to authorize a lower weight allowance for UAB for employee, and all dependents. Without this flexibility, the costs would be double.
 * Include an agency option for unaccompanied air baggage (UAB) as a part of the household goods allowance;

Duplicative Payment of Relocation Expenses Yes Employees should disclose whether or not spouses are receiving relocation benefits. If so, what benefits are being provided to the relocating spouse, so that duplicative costs are not incurred.
 * Require disclosure statements so that the Government will not pay for relocation expenses that are paid by another Government or another private source for the spouse.

Relocation Management Reporting Capabilities (new) Yes Will enable agencies to track relocation costs and manage their relocation programs. Also enable agencies the ability to respond to inquiries from OMB, GSA, or Congressional ATF already has a tracking system that has significant data, but needs additional reporting capabilities to be added.
 * Define relocation programs, relocation payment systems, and relocation management reporting systems;



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PDTATAC/tmc

24 January 2005

MEMORANDUM FOR: GENERAL SERVICES ADMINISTRATION, REGULATORY SECRETARIAT (V), 1800 F STREET, NW ROOM 4035, ATTN: LAURIE DUARTE, WASHINGTON, DC 20405

SUBJECT: FTR Case 2003-309

1. Attached to this memo are comments from the staff of the Per Diem, Travel and Transportation Allowance Committee (PDC) concerning proposed changes to the FTR presented in the subject case.
2. The DoD Service representatives (CAP members) have been requested to provide their comments directly to GSA concerning the proposed changes so that we can all benefit from their actual experience in applying the regulations within their Service.

//Signed 1-21-05//
S. W. Westbrook
Director

Attachment:
Comments



Only those parts of the case where we made comments or proposed changes are included.

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This proposed rule-

Revises section 302-7.4 to include an agency option for unaccompanied air baggage (UAB) as a part of the household goods allowance;. {add after "(UAB)". "and/or unaccompanied baggage by an\ mode"

2. Amend section 300-3.1

a. Adding, in alphabetical order, the definitions "Accompanied baggage," "Excess baggage," and "Unaccompanied air baggage (UAB)"; {WHAT ABOUT UNACCOMPANIED BAGGAGE THAT IS NOT GOING BY AIR! - These shipments are usually shipped by the direct procurement method (DPM). Smaller HHG shipments are shipped this DPM method and identified sometimes as "UB". Although there may be "NO" additional shipment of HHG. it is still identified as "UB" shipment.
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The added text reads as follows:

§ 300-3.1 What do the following terms mean?

Excess baggage-Pre-authorized/pre-approved baggage carried by a passenger on a common carrier that is in excess of the weight and size limitation that can be carried for free. How can this be known in advance since each airline has different weights/sizes etc., of free accompanied baggage? DoD allows excess baggage authorized (before the fact) or approved (after the fact) for TOY travel but only allows excess baggage for PCS travelers approved after the fact - never authorized in advance. POC requires the two "pre"s be deleted.

Household Goods (HHG) * * *

(1) * * *

(vii) Unaccompanied air baggage. (WHAT ABOUT 'PLAIN' UNACCOMPANIED BAGGAGE ON OTHER TRANSPORTATION MODES'? THIS LIST OF ITEMS TYPICALLY GOES AS AN ADVANCE SHIPMENT OF HHG WITHIN DEFENSE AND MAY GO BY SURFACE TRANSPORTATION..)



Unaccompanied air baggage (UAB)-Unaccompanied air baggage includes personal items and equipment (*i.e.*, pots, pans, light housekeeping items, collapsible items (cribs, playpens, baby carriages) and other articles required for the care of the family that may be shipped by air in accordance with chapter 302 of this subtitle. Household items (*i.e.*, refrigerators, washing machines and other major appliances or furniture) are not eligible

as UAB. UAB is used in connection with permanent change of station OCONUS, renewal agreement travel, and long term temporary duty assignments of 30 days or more. UAB is subtracted from the 18,000-pound net weight household goods allowance.

f UNACCOMPANIED BAGGAGE (UB) THAT IS NOT GOING BY AIR - These shipments are usually shipped by the direct procurement method (DPM). UB is also used in connection with permanent change of station within CONUS. Smaller HHG shipments are shipped this DPM method and identified as "UW". Although there may be "NO" additional shipment of HHG, it is still identified as a "UB" shipment. Sometimes, not often, certain VB shipments are sent by air within CONUS and then the remainder of the entire lot of HHG is sent later. If the UAB is identified then "all" HHG should be mentioned.

Amend 302-2.8 by removing "two years" and inserting "one year" in its

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PDC staff does not support this change. We support retention of the current 2-year time limitation. Many DoD employees reside near military installations at which they encounter difficulties in selling their residences due to depressed economies following downsizing or closing of military posts. Further, long-term temporary duty en route may also make it necessary for longer periods of time.

§ 302-2.9 [Amended]

Amend § 302-2.9 by removing "2-year" and inserting "1-year" in its

PDC staff does not support this change. We support retention of the two-year time limitation for the reasons indicated in § 302-2.8.

6. Amend § 302-2.10 by removing "2-year" and inserting "1-year" in its place.

PDC staff does not support this change. We support retention of the two-year time limitation for the reasons indicated in § 302-2.8.



Umend~2-2.] 1 by removin!! "2-17ear" ill both the hetulill!! alltl the text and addill!! t'I-I'ea." ill its [}lace: alld relllOJ'ill!! "2 mlditiOll(111 ears" alld addill!! (toile additiollal vear" in its l)~

PDC staff does not support this change. We support retention of the two-year time limitation for the reasons indicated in § 302-2.8.

(g) That all relocating employees are required to sign a disclosure statement (see §§ 302-2.20 and 302-2.21).

§ 302-2.110 [Amended]

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POC staff does not supp011 this change. We support retention of the two-year time limitation for the reasons as indicated in § 302-2.8.

~lllelll SUBlJart B bl! addill!! a llew llulesi!!llllfed cellter headillff and, new SS 302-2.200. 302-2.205. 302- 2.300. 302-2.305. 302-2.400. llld JjJ2-2.405 to read as fol~

§ 302-2.205 What are agency responsibilities to implement the Federal relocation management program?

Agencies must

(c) Implement a Relocation Management Reporting System no later than September 30,2005. It IS virtually certain that Agencies cannot meet the September 30,2005 deadline since requirements have not even been established yet. Suggest that Agencies be surveyed to detemline what a more realistic deadline in 2006 or 2007 should be.

Relocation Payment System

§ 302-2.300 What is a relocation payment system?

A relocation payment system facilitates the payment of official relocation expenses that include, but are not limited to

§ 302-2.405 May we obtain an exception from the use of a Relocation Management Reporting System?



Yes, your agency head may request an extension on the implementation deadline by writing the Administrator of General Services, explaining the reason for the delay, and proposing an alternative deadline that would be more achievable by your agency that is no later than *September 30, 2006*. Requests for exceptions should be sent to the Office of Governmentwide Policy, Travel Management Policy, Room G-219, General Services Administration, 1800 F Street, NW., Washington, DC 20405.

It's doubtful that Agencies could meet the September 30,2006 deadline. Suggest that Agencies be surveyed to determine what a more realistic deadline in 2007 or 2008 should be.

~evise S 302-4.300 to read as fol~

§ 302-4.300 What is the POV mileage rate for PCS travel?

When PCS travel by p~y is authorized/approved, the mileage reimbursement allowance shall not exceed that established, in any given year, by the IRS for moving expense deductions. _See IRS Publication 521, Moving Expenses, available on the Internet at <http://www.irs.gov>. (14 cents per mile for 2005)

PDC staff does not support this change. Recommend that reimbursement for travel by p~y be based on the cost for operating a vehicle or providing common carrier transportation. As an alternative, if the IRS rate is to be used, it should be incumbent on GSA to maintain the FTR current with the rate and not require each agency, and each component of each agency and each field activity to 'hunt' for the correct rate. In addition, by law, the Uniformed Services must also use this rate meaning even more agencies and activities must seek this number. Further, this has the effect of lowering the current rates (\$15., UL...\$.19. and \$.20/mile) for all uniformed personnel in a time when fuel costs are increasing. Frequently, travelers don't understand why this 'reduced' rate (as compared to \$.375 or \$.405) is being paid. They will be bewildered when the rates now authorized by GSA are decreased. {fthis is a tax issue. identify it and note the taxability of amount over \$.xX that is paid. Leave the current rates in place.

~mend S 302-5.11 hv l'emol-'illp "10" alld addilu! "8" in its Dl~

PDC staff does not support this change. Recommend that the current discretion allowing an agency to authorize up to 10 days be retained.

2kAlile/ld S 302-5.13 hv removin!! "rlXed amount" wherever it aooears f!Jl!lJJ!Jdinr! "lumy sum" in its D(ace, 23~ev;se S 3~ to read,fJ\$,

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§ 302-5.14 **What transportation expenses will my agency pay?**

(a) Your agency will authorize you to travel by any transportation mode e.g., common carrier (or pay it detenn"ines to be advantageous to the Government). Your agency will pay for your transportation expenses by the authorized mode. If you travel by any other

mode, your agency will pay your transportation expenses not to exceed the cost of transportation by the authorized mode. Generally, trips of under 250 miles will only be reimbursed for pav mileage and only at the rate prescribed in § 302-4.300 of this chapter (14 cents per mile in 2005). PDC does not support limiting trips under 250 miles to pav mileage. This gives the appearance of requiring the use of pay because constructed reimbursement is based on pay. We've never required a traveler to use pav for any travel and this is a dangerous precedent. This change seems to pennit an agency to authorize use of a pav for the sole purpose of saving funds whether the employee has a paYor not. The implication of requiring pav use is very clear.

(b) Unless the agency perfonns a written cost comparison proving cost savings, only common carrier will be authorized for trips with a distance greater than 250 miles.

PDC staff does not support reducing reimbursement to 14 cents for use of a pay in connection with a househunting trip or PCS. PDC does not supp011limiting the ability to allow pay more advantageous for PCS travel without an individual written cost comparison. Cost comparisons are time consuming and burdensome extra administration and are supportive of simplification. An employee should be allowed to drive a pay and not have reimbursement limited to the common carrier cost if the agency decides it's advantageous due to morale. efficiency. etc.

24. Amend § 302-5.15 by removing "fixed amount" wherever it appears and adding "lump sum" in its place.

PDC staff has no obiection to any of the changes from the tenn "fixed amount" to the tenn "lump sum"

to read as fol~

§ 302-5.103 **What modes of transportation may we authorize for a househunting trip?**

(a) When the new official station is less than 250 miles from the old official station, you should only authorize the use ofthe employee's pav for a househunting trip (HHT)

and reimbursement for pav mileage at the rate prescribed in this part. PDC staff considers the prescribed mileage reimbursement. at 14 cents per mile in 2005. to be inadequate for using a pay for a house-hunting trip. Reimbursement should be based on the cost of operating a paVor providing commercial transportation.



Additionally, PDC is not in favor of forcing an employee to use a POV for HHT. This gives the appearance of requiring the use of POV because constructed reimbursement is based on POV. We've never forced a traveler to use POV for any travel and again this is a dangerous precedent.

(b) When the new official station is 250 miles or more from the old official station, you may authorize the use of the common carrier transportation or POV for a househunting trip, whichever is most advantageous to the Government. Reimbursement for the related transportation costs is prescribed in part 302-5 of this chapter. Again, PDC is not in favor of requiring more individual manual cost comparisons and we are not in favor of limiting reimbursement to POV cost.

(c) Exceptions for this rule may be granted by the agency when an employee or immediate family member(s) has special circumstances requiring an exception (see § 303-13).

PART 302-6-ALLOW ANCE FOR TEMPORARY QUARTERS SUBSISTENCE EXPENSES (TQSE)

§ 302-6.100 What am I paid under the actual TQSE reimbursement method?

Your agency will pay your actual TQSE incurred, provided the expenses are reasonable and do not exceed the maximum allowable amount. The 'maximum allowable amount' is the 'maximum daily amount' multiplied by the number of days you actually incur TQSE not to exceed the number of days authorized, taking into account that the rates decrease after the first 30 days. The "maximum daily amount" is determined by adding the rates in the following table for you and each member of your immediate family authorized to occupy temporary quarters:

For	The "maximum daily amount" of TQSE under the actual expense method that-		
	You and your unaccompanied spouse may each receive is-	Your accompanied spouse or a member of your immediate family age 12 or older may each receive is -	Any member of your immediate family under age 12 may each receive is--
Day 1 to Day 30	100% x the applicable per diem rate	75% x the applicable per diem rate	50 % x the applicable per diem rate I
Day 31 to Day 120 (That IS, when the spouse is necessary to occupy temporary quarters 111 here of the	55% x the applicable per diem rate (current 40%) I	40 % x the applicable per diem rate (current 40%) I	30 % x the applicable per diem rate (current 40%) I

¹ employee or in a location separate from the employee.)

NOTE: PDC staff opposes the reduction from 75% to 55% for the employee or unaccompanied spouse for days 31 to 120. This is particularly onerous for single employees; it's difficult to find accommodations at even the reduced 75%, much less 55% rate. Lowering the rates for family members on days 31 to 120 from 50% to 40% and from 40% to 30% is going to make reimbursements inadequate. Inhere are issues with employees being allowed to remain in a TQSE status 'too long', the FTR should



charge agencies with exercising proper oversight and not 'cure the problem' by potentially 'punishing' employees and dependents who are appropriately receiving TQSE.

~Re}ise sllb(111ILC. cOllsistillf! oLSS 302-6.200 tl1rollfl11 302-6.2~ ~

§ 302-6.201 How do I determine the amount of my lump sum payment?

(a) Multiply the number of days your agency authorizes TQSE by the maximum per diem rate (*i.e.*, lodging plus meals and incidental expenses) prescribed in FTR Per Diem Bulletin for the locality *j.e.*, the old or new official station or combination thereof, where temporary quarters will be occupied.

PDC staff supports this change. However, please note that per diem rates are not only prescribed in FTR Per Diem Bulletins - per diems are also prescribed by PDC (via the Federal Register) and by State Department.

§ 302-6.204 Am I required to file a voucher for TQSE if I selected the lump sum payment?

No, the intent of the lump sum payment is to simplify the process and eliminate the need for filing a voucher, however, your agency may request proof that you actually occupied temporary quarters and in the absence of sufficient proof, demand repayment of the TQSE lump sum payment in accordance with § 302-6.305.

PDC staff does not support the 'proof requirement. It adds complication and administration to the lump sum payment method - which is the direct opposite (i.e., simplicity of administration) of why the lump 811m methodology was created. 'Management' needs to decide which way to go (fixed or actual expense) and then be done with it. Will the employee be required to certify that he occupied temporary quarters iihhe or she stayed with friends or relatives?

~ new 55302-6.305 and 302-6.306 to read as follow~':

§ 302-6.305 Must we require transferees to sign a statement that TQSE was incurred?

Yes, transferees electing the lump sum TQSE reimbursement option must sign a statement that they will occupy temporary quarters and incur TQSE expenses. If no TQSE expenses are incurred, all monies ndvnnccd for the lump sum TQS E payment must



be returned to the agency. You must not authorize lump sum TQSE for employees who do not need temporary quarters.

PDC staff opposes the requirement for signing a statement. We see no value in such a statement since an employee can satisfy this certification by simply spending one night in a hotel/motel or with fi-iends or relatives. If an agency/agencies are unwisely providing lump sum TQSE, the agency/agencies need to correct their processes - not add additional administration for the others. Use the FTR to charge the agencies with prudent administration of this allowance.

§ 302-6.306 When must we make the lump sum TQSE payment to the transferee?

You must pay the transferee the lump sum TQSE payment prior to the occupancy of temporary quarters. PDC staff suggests this be changed to "You must pay the transferee the lump sum TQSE payment prior to the transfer." to remove the requirement that the employee actually certify that TQSE expenses were inctmed and to enable the employee to have the funds before travel begins.

IAJJevis S 302-7.2 to read as fol~

§ 302-7.2 What is the maximum weight ofHHG that may be transported or stored at Government expense?

By statue, the maximum weight allowance ofHHG that may be shipped or stored at Government expense is 18,000 pounds net weight. The HHG net weight is determined by subtracting 10 percent from the shipment net weight as shown on the shipping documents to reflect the weight of packing materials.

PDC supports the above change. The 10% allowance for cardboard boxes and packing paper. etc.. has been in use for the uniformed services for decades and accommodates the weight of those materials without penalizing the PCS traveler.

41. ReJ,jse section 302-7.4 to read a~' follows:

§ 302-7.4 Does the weight of any Unaccompanied lAk) Dae2aee (UABIUB) or p~rofessional bBooks, p~apers and eEquipment (PBP&E) or UBaeoompaBied }...ir Baggage (UAB) count against the 18,000:-pound HHG weight limitation?

(a) Yes, the weight of any PBP&E and UAB and/or UB (see subpart D ofthis part) and PBP&E is generally part of and not in addition to the 18,000 pounds net HHG weight limitation. However, if the weight of any PBP&E causes the lot to exceed 18,000 pounds net weight, the excess weight of the PBP&E may be transported lo the new duty station as an administrative expense ofthe agency. To the extent possible for ease of



administration, the PBP&E items should be included as part of the HHG shipment. Only in the case of an overweight shipment should a separate administrative expense be charged to the agency, and only for the overweight portion of the shipment.

Authorization for such shipment is granted solely at the discretion of the agency and subject to its policies governing such shipment. (See definition of PBP&E in § 300-3.1 of this subtitle.)

By shifting the two categories (UABIUB and PBP&E), the tie from the first sentence to the second makes better sense.

(b) If PBP&E are included with an HHG shipment and cause an overweight condition, you must identify this fact and the total weight of the PBP&E, so that your agency is made aware of this situation and determine whether or not to approve the shipment of the overweight PBP&E.

This is difficult if the overweight isn't known until after the move is completed (which is VERY typical). There should be a provision to do this 'up-front' before the HHG are actually transported.

il, J/evise newl~esi!!nated, 11JJ2-7. 9 to read as fol~

§ 302-7.9 Is there a time limit for the temporary storage of an authorized HHG shipment?

(a) The initial period of temporary storage at Government expense shall not exceed 60 days in connection with any authorized HHG shipment. However, upon your written request, up to an additional 90 days may be authorized by the designated agency official. In no case may the maximum time limit for temporary storage exceed 150 days.

PDC staff does not support a reduction from a maximum of 180 to 150 days in temporary storage. 180 days is frequently inadequate when an employee is required to perform temporary duty for training or is sent TDY en route for other reasons in connection with a PCS. Even the current 180-day limit is particularly burdensome to DoD as en route employees are detailed during the current operations in Southwest Asia Area.

(b) The number of days authorized for HHG storage must coincide with the number of days authorized for TQSE. For example, if TQSE is authorized for 60 days, storage of HHG must be equal to the number of days authorized for TQSE plus a reasonable number of days for delivery from the storage location (not to exceed 14 days).

PDC staff does not support tying temporary storage to TOSE. This is VERY bad precedent to tie TOSE to HHG transportation - that includes this storage. These are totally independent allowances (TOSE and HHG transportation/storage). In addition.



some of the storage may be at origin and/or en route and that could severely limit the storage at destination. An employee who is required to perform TDY in connection with a PCS may require a much longer period for temporary storage of HHG than TQSE. Also, if agencies can only authorize a maximum of 120 days TQSE and the number of days HHG storage must equal the number of days TQSE plus 14 days, so how could 150 days of HHG storage ever be allowed?

44. Amend newly redesignated § 302-7.10 by removing “90-day” and adding “60-day” in its place in the section heading and introductory DaraflraDh.

PDC staff does not support the reduction in temporary storage for HHG from 180 to 150 days.

~revise newly redesignated”, § 302-7.16 to read as follows~

§ 302-7.16 Must I use the method selected by my agency for transporting my HHG, PBP&E and temporary storage?

No, you do not have to use the method selected (§ 302-7.301) by your agency for transporting your HHG, PBP&E and temporary storage. You may pursue other methods.

However, your reimbursement is limited to the actual cost incurred, not to exceed what the Government would have incurred under the method selected by your agency.

Yes, however, if your agency authorizes the actual expense method and you elect to make your own arrangements, reimbursement is limited to the actual costs incurred not to exceed what the Government would have incurred under the actual expense method. If your agency authorizes the Commuted Rate System, which requires you to make your own arrangements, reimbursement is at the rate prescribed by the Commuted Rate Method.

If my agency authorizes the Commuted Rate Method can I demand the Actual Expense Method?

§302-7.15 Must I use the method selected by my agency for transporting my HHG, PBP&E and temporary storage?

No, you do not have to use the method selected (§302-7.301) by your agency, and you may pursue other methods, however, your reimbursement is limited to the actual cost incurred, not to exceed what the Government would have incurred under the commuted rate system within CONUS and the actual expense method OCONUS.

~Revise the following if limited S 302-7.21 to read as follows~

§ 302-7.21 If my HHG shipment includes an item (e.g., boat, trailer, ultralight vehicle) for which a weight additive is assessed by the HHG carrier, am I responsible for payment?

YesNo, you are not responsible for the shipping charges resulting from the weight additive as well as but may be responsible for any special packing, crating, and handling of the weight additive items. If your HHG shipment includes an item (e.g., boat or trailer) for which a weight additive is assessed by the HHG carrier (as prescribed in applicable tariffs), only the actual weight of the item and not the weight additive is included in the computation of the maximum weight prescribed in § 302-7.2. (For example, when a HHG carrier imposes a weight additive of 700 pounds is imposed by a HHG earner on a 65-pound canoe, only the 65 pounds is charged against the employee's 18,000 pounds net weight allowance). See § 302-7.200 on how charges are paid and who makes the shipping arrangements.

Comment: The applicable GSBCA decision (<http://www.gsbca.gsa.gov/relo/r1613121.txt>) indicates that the employee is not responsible for shipping costs based on weight additives. The statement in the first sentence above is not consistent with the GSBCA decision.

~Revise subpart ~ a new subpart ~ to read as follows~

Subpart D-Baggage Allowance

~~302-7.300 When may I authorize a UAB/UB shipment if the weight of the UAB/UB shipment exceeds 18,000 pounds net weight of HHG weight allowance?~~

302-7.302 What is the maximum weight allowance for a UAB/UB shipment?

302-7.303 When may my agency authorize the shipment of UAB/UB?

302-7.304 Is there a time limit for shipment of my UAB/UB? 302-

7.305 Who makes arrangements for transporting my UAB/UB?

Subpart E-Agency Responsibilities

302-7.400 What policies and procedures must we establish for this part?

302-7.401 What method of transportation should we authorize for shipment of HHG and temporary storage?

102-7.402 What method of transportation should we authorize for shipment of PBP&E and UAB/UB?

302-7.403 What guidelines must we follow when authorizing transportation of PBP&E as an administrative expense?



302-7.404 When HHG are shipped under the actual expense method and PBP&E are shipped as an administrative expense in the same lot, are separate weight certificates required?

302-7.405 How must we arrange transportation of HHG and DABIUB?

Subpart D-Baggage Allowance

§ 302-7.300 When may I be authorized a UABIUB shipment?

You may be authorized a DAB/US shipment *prior to transferrinJ!* from a CONUS location to an OCONUS location, between OCONUS locations, and from an OCONUS location to a CONUS location. {Comment: Need to add "from a CONUS location to a CONUS location.} This section must include CONUS/CbNUS movcs.

§ 302-7.301 Is my UAB/UB shipment in addition to the 18,000 pounds net weight of HHG weight allowance?

No, the DAB/VB shipment is part of, not in addition to, the 18,000 pounds net weight allowance for HHG.

§ 302-7.302 What is the maximum weight allowance for a UAB/UB shipment?

The maximum weight allowance for a DAB shipment is

- (a) 350 pounds net weight for the employee and for each immediate family member 12 years of age and over; or
- (b) 175 pounds net weight for each immediate family member under 12 years of age.

Comment: It is presumed that there is no limit on the total DAB shipped for a family.
§ 302-7.303 When may my agency authorize the shipment of UAB/UB by expedited means?

Your agency may authorize the shipment of DAB/UB by expedited means when

- (a) Shipment by a lower cost mode cannot provide the required service, or (b) You certify that your DAB/VB is necessary to carry out your assigned duties, or
- (c) Your agency determines that an expedited shipment is necessary to prevent undue hardship to you and members of your immediate family.

§ 302-7.304 Is there a time limit for shipment of my UAB/VB?

Yes, your DAB/UB must be shipped prior to your (or your dependents) departure from your old duty station in time to ensure that your shipment arrives by the time you report to your new duty station. Arrangements should begin prior to your departure to



your new duty station. Comment: The FTR should also allow shipment prior to dependents' departure when family's departure is delayed since much of the UAS/UB may be used to support the family members.

§ 302-7.305 Who makes arrangements for transporting my DAB/VB?

Your agency or your agency's designee should arrange for the transport of your UAB/UB. Comment: Is there no actual expense (employee-arranged) UABIUB?

Subpart E-Agency Responsibilities

Note to subpart E: Use of pronouns "we", "you", and their variants throughout this subpart refers to the agency.

§ 302-7.400 What policies and procedures must we establish for this part?

You must establish policies and procedures as required for this part, including who will-

- (a) Administer your household goods program;

- (b) Authorize PBP&E to be transported as an agency administrative expense;

- (c) Authorize an employee to ship UAB/VB;

- (d) Authorize temporary storage in excess of the initial 60-day limit;

PDC staff opposes reducing the initial 60-day limit to 60 days and supports the 180-day maximum.

- (e) Collect any excess cost or charges;

- (f) Advise the employee on the Government's liability for any loss and damage claims under 31 U.S.C. 3721-3723; and

- (g) Ensure that international HHG shipments by water are made on ships registered under the laws of the United States whenever such ships are available.

§ 302-7.401 What method of transportation should we authorize for shipment of HHG and temporary storage?

There are two methods of transporting HHG and providing for temporary storage, actual expense and commuted rate. As a general rule, you should authorize the method that is less costly to the Government. The selected method should be stated on the relocation travel authorization. Additional considerations that might affect your choice of method are:



(a) *Actual Expense Method.* Under the actual expense method, the Government assumes the responsibility for arranging and paying for the actual expenses of all aspects of transporting the employee's HHG, including PBP&E (e.g., packing! unpacking, pickup/delivery, weighing, line-haul, drayage, temporary storage, etc.). This method is used for all shipments to/from/between OCONUS~ and within CONUS, where deemed economical to the Government.

§ 302-7.402 What method of transportation should we authorize for shipment of PBP&E and VAB/UB?

You should authorize the actual expense method for transporting an employee's PBP&E only when the weight of the PBP&E causes the employee's shipment to exceed the maximum 18,000 pounds net HHG weight limitation and in accordance with § 302-7.403. PBP&E and UAB/VB should be weighed identified prior to shipment, if necessary, so the weight can easily be deducted from the 18,000 pounds net weight allowance. The PBP&E shipment should then be made separate from the HHG shipment and is an administrative expense to your agency if your agency authorized PBP&E and the PBP&E caused the HHG shipment to go overweight. Comment: According to §302-7.4(b) next to last sentence, PBP&E doesn't have to be shipped separately.

§ 302-7.403 What guidelines must we follow when authorizing transportation of PBP&E as an administrative expense?

You have the sole discretion to authorize transportation of PBP&E as an administrative expense and may do so provided that

(a) An itemized inventory of PBP&E is provided for review by the authorizing official at the new official station;

(b) The authorizing official at the new official station has certified that the PBP&E are necessary for performance of the employee's duties at the new duty station, and if these items were not transported, the same or similar items would have to be obtained at

Government expense for the employee's use at the new official station; and (c) You have

acquired evidence that transporting the PBP&E would cause the employees' HHG to exceed the 18,000 pounds maximum net weight allowance.

The following existing note was left out "Note to §302.7.303: PBP&E transported as an agency administrative expense to an OCONUS location, may be returned to CONUS as an agency administrative expense for an employee separating ITom Government service." PDC staff strongly opposes removing this note.

§ 302-7.405 How must we arrange transportation of HHG and VAB/VB?

When arranging transportation of HHG and UAB/VB, you should

(a) Compare Determine the constructed cost of transporting HHG plus UAB/UB, the cost of transporting not to exceed 18,000 pounds net weight of HHG in one lot by the most economical means and limit the employee's HHG transportation payment to the 5-H constructed cost of shipping 18,000 pounds of HHG;

Comment: It is recommended that the above be revised as shown and the following example added.

Example: The total cost for transporting an employee's HAG (15,000 pounds) and UAB/UB (1,750 pounds) is limited to the constructed cost for transporting 18,000 pounds of HHG in one lot by the most economical means [Tom the old PDS to the new PDS.

(b) Make arrangements for transporting the employee's UAB under the appropriate bill of lading with direct payment by the agency;

(c) Advise employees of this relocation allowance entitlement limitation and its potential to result in out-of-pocket expenses to the employee. Advise employees that they will have to use their personal funds to pay for the cost of transporting HHG (including UAB/UB) in excess of the constructed cost of transporting 18,000 pounds net weight.

Comment: PDC staff recommends the above changes.

~JJleJlll S 302-9.301 bl' reJJlOJ'iJl!! HaJ/tI" llt the end of>aJ'a!!J'a»ll (bJ. reJJlOpiuf! tlte lJeriud at tlte eud OffJ(lI'(J!rfwh (e) and addbl!! H:" in its mace. and addbl!! »ara!!ra»lzs (~to read as fol~

§ 302-9.301 Under what conditions may my agency authorize transportation of my POV within CONUS?

* * * * *

(d) Your agency must determine that the cost of transporting your pav is not greater than the value of your pav; and (e) The distance to be shipped is 600 miles or more.

PDC does not support shipment of a pav based on the vehicle's ('Blue Book') value. If the vehicle is in working condition and provides the employee with transportation it should be transported. The replacement cost to the employee may far exceed the vehicle's current value.

~lllelld llewlv desif!nated S 302-9.505/", remo\inf! "and" at the end:fl i oaral!raoh (e). removinf! the ver/od at the clld ofnaraf!ranh (dJ and atlclint! ": and" in its olace. and addinr! paraeraph (e) to read as fo~

§ 302-9.505 What factors must we consider in deciding whether to authorize transportation of a POV to a post of duty?

* * * * *

(e) Cost of transporting the POV to the new duty station will be greater than the value of the POV.

rDC staff does not support shipment of a POV based on the vehicle's ('Blue Book') value. If the vehicle is in working condition and provides the employee with transportation it should be transported. The replacement cost to the employee may far exceed the vehicle's current value.

~mend Hewlluw..sj!!/l(lted S 302-9.506 by removill!! the neriod at the elld ofnara!!ralJh (d) alld addill!! H: alld" ill its lJ/ace. alld addillf! nara!!rafJh (e) to read as folloH's:

§ 302-9.506 What must we consider in determining whether transportation of a POV within CONUS is cost effective?

* * * * *

(e) Cost of transporting the POV to the new duty station will be greater than the value of the POV.

rDC staff does not support shipment ora pav based on the vehicle's ('Blue Book') value. lithe vehicle is in working condition and provides the employee with transportation it should be transported. The replacement cost to the employee may far exceed the vehicle's current value.

~evise S 302-11.22 to read as fol~

§ 302-11.22 May the I-year time limitation be extended by my agency?

Yes, your agency may extend the I-year limitation for up to one additional year for reasons beyond your control and acceptable to your agency.

PDC staff does not support this change. We support retention of the current 2-year time limitation and 2-year extension. Many DoD employees reside near military installations at which they encounter difficulties in selling their residences due to depressed economies following downsizing or closing of military posts.



~mend~.200 II.v l'e.'isillff tte i''troductol'l' vara!!/'avl to relld..M: ~

PDC staff supports retaining the two-year time limitation and the two-year extension. |



..Fouts. Bill"
<bill.fouts@dhs.gov>
01/19/200509:44 AM

To: ftrcase.2003-309@gsa.gov
cc: ed.davis@gsa.gov, "Mich, James E" <james.mich@dhs.gov>, "Starling,
Judy A" <judith.starling@dhs.gov>, "Bunn, Harry"
<harry.bunn@dhs.gov>
Subject: FTR Case 2003-309, Comments from DHS, CBP on GSA Proposed
Rule on FTRChanges Resulting from the Relocation Best Practices
CommitteeRecommendations

Comments due to GSA by January 24, 2005 on Proposed Rule on Changes to Chapter 302, FTR, following proposed FTR changes resulting from recommendations from the Relocation Best Practices Committee (RBPC) and GSA. Please see CBP comments highlighted in blue after relevant changes (attached).

Thanks very much for the opportunity to comment on these very important changes to Chapter 302. If you have questions, please contact William Fouts, CBP, Office of Finance, Financial Management Division at 202-344-1354.

O

CBP Comments on GSA Proposed Rule on Recommendations of the RBPC

203-309-12

CUSTOMS AND BORDER PROTECTION COMMENTS ON PROPOSED RULE TO CHANGE THE FTR
FOLLOWING RECOMMENDATIONS OF THE RELOCATION BEST PRACTICES COMMITTEE (KEY TO
COMMENTS: Comments are limited to substantial changes we believe we need to address)

PART 300-3--GLOSSARY OF TERMS

1. The authority citation for 41 CFR part 300-3 is revised to read as follows:

Authority: 5 U.S.C. 5707; 5 U.S.C. 5738; 5 U.S.C. 5741-5742; 20 U.S.C. 905(a); 31 U.S.C. 1353; 40 U.S.C. 121(c); 49 U.S.C. 40118; E.O. 11609, 3 CFR, 1971-1975 Comp., p. 586.

2. Amend section 300-3.1 by-

a. Adding, in alphabetical order, the definitions "Accompanied baggage," "Excess baggage," and "Unaccompanied air baggage (UAB)";

b. Amending the definition of "Household Goods (HHG)" by removing "that can fit into a moving van" from paragraph (I)(v) and adding paragraph (I)(vii); and

c. Amending the definition of "Non-foreign area" by removing "Commonwealths of Puerto Rico," and adding "Commonwealth of Puerto Rico," in its place.

The added text reads as follows:

Sec. 300-3.1 What do the following terms mean?

Accompanied baggage--Baggage that is carried free of charge for a passenger on a common carrier. There are weight and size limitations depending on the common carrier. You should check with the common carrier you are traveling on for any restrictions.

Excess baggage--Preauthorized/preapproved baggage carried by a passenger on a common carrier that is in excess of the weight and size limitation that can be carried for free.

Household Goods (HHG) * * *

(1) * * *

(vii) Unaccompanied air baggage.

Unaccompanied air baggage (UAB)--Unaccompanied air baggage includes personal items and equipment (i.e., pots, pans, light housekeeping items, collapsible items (cribs, playpens, baby carriages) and other articles required for the care of the family that may be shipped by air in accordance with chapter 302 of this subtitle. Household items (i.e., refrigerators, washing machines and other major appliances or furniture) are not eligible as UAB. UAB is used in connection with permanent change of station OCONUS, renewal agreement travel, and long term temporary duty assignments of 30 days or more. UAB is subtracted from the 18,000 pound net weight household goods allowance.



Comments: Do not understand the reason for including a new Chapter 301 item.....and long term temporary duty assignments of 30 days or more..." in this revision of Chapter 302. Maybe we missed something, but we are not familiar with any rules for shipping UAB for TDY assignments. This is not referenced in Sec. 302-7.300 "When may I be authorized a UAB shipment.?"

Strongly disagree with subtracting UAB from 18,000 lbs. HHGs allowance. This comes from the DOD Joint Travel Regulation (JTR), Chapter 5, "Permanent Duty Travel." Our practice in the absence of FTR guidance, and that of most other civilian agencies with personnel overseas, has been to use Department of State guidelines. We are under DOS 6 FAM 100. 6 FAM 148.2-1b states, .. The unaccompanied baggage weight allowance is in addition to the household effects weight allowance [18,000 lbs] shown in 6 FAM 163." To subtract UAB from the standard weight allowance would be confusing and inconsistent with current practice.

PART 302-2--EMPLOYEE ELIGIBILITY REQUIREMENTS

3. The authority citation for 41 CFR part 302-2 continues to read as follows:

Authority: 5 U.S.C. 5738; 20 U.S.C. 905(a).

Sec. 302-2.8 [Amended]

4. Amend Sec. 302-2.8 by removing "two years" and adding "one year" in its place.

Sec. 302-2.9 [Amended]

5. Amend Sec. 302-2.9 by removing "2-year" and adding "1-year" in its place.

Sec. 302-2.10 [Amended]

6. Amend Sec. 302-2.10 by removing "Z-year" in both the heading and the text and adding "1-year" in its place.

Sec. 302-2.11 [Amended]

7. Amend Sec. 302-2.11 by removing "2-year" in both the heading and the text and adding "1-year" in its place; and removing "2 additional years" and adding "one additional year" in its place.

8. Revise the undesignated center heading appearing immediately before Sec. 302-2.12 to read as follows:

Service Agreements and Disclosure Statement

Sec. Sec. 302-2.20, 302-2.21, 302-2.22 [Redesignated]



9. Redesignate Sec. Sec. 302-2.20, 302-2.21, and 302-2.22 as Sec. Sec. 302-2.22, 302-2.23, 302-2.24, respectively, and move the undesignated center heading "Advancement of Funds" to precede the newly designated Sec. 302-2.22.

9a. Add new Sec. Sec. 302-2.20 and 302-2.21 to read as follows:

Sec. 302-2.20 What is a disclosure statement?

A disclosure statement is a written statement signed by you to your agency stating that you, your immediate family, or any third party vendor have not and will not accept duplicate reimbursement for relocation expenses. The statement must be signed at the same time as the service agreement.

Sec. 302-2.21 Must I sign a disclosure statement?

Yes, you must sign a disclosure statement.

Comments: Agree, but refer to § 302-2.14, which sets a penalty for violating the 1-year service agreement. If we are going to require transferees to sign a disclosure statement, to ensure compliance, don't we need to provide a penalty for violating a disclosure statement? If so, what would the penalty be? The simplest resolution would be not to process the relocation authorization until the transferee signs the disclosure statement, which would work if the transferee wants to transfer.

Subpart B--Agency Responsibilities

10. Amend Sec. 302-2.100 by removing "and" at the end of paragraph (e), removing the period at the end of paragraph (f) and adding "; and" in its place, and adding paragraph (g) to read as follows:

Sec. 302-2.100 What internal policies must we establish before authorizing a relocation allowance?

(g) That all relocating employees are required to sign a disclosure statement (see Sec. Sec. 302-2.20 and 302-2.21).

Sec. 302-2.110 [Amended]

11. Amend Sec. 302-2.110 by removing " 2-year" wherever it appears and adding ' '1-year" in its place.

12. Amend Subpart B by adding a new undesignated center heading and new Sec. Sec. 302-2.200, 302-2.205, 302-2.300, 302-2.305, 302-2.400, and 302-2.405 to read as follows:

Relocation Programs

Sec. 302-2.200 What does the Federal relocation management program include?

The Federal relocation management program includes-



(a) All aspects of the Federal travel management program that support Federal relocation activities. (See Sec. Sec. 301-73.1 through 301-73.30.) These include, but are not limited to, a-

(1) Relocation authorization and claim system that implements the related requirements of the Federal Travel Regulation;

(2) Travel Management System (TMS) that provides reservation and ticketing support for relocation activities;

(3) Travel payment system for paying travel service providers used in support of a relocation; and use of all applicable contracts and similar arrangements, with transportation and lodging providers (e.g., Government-contract air carriers, rental car companies, trains, hotels, etc.) that give preferential rates and other benefits to Federal travelers on official business.

(b) A relocation payment system for paying relocation service providers who are not paid from the Travel payment system; and

(c) A Relocation Management Reporting System that captures and reports financial and other relocation data required by the biennial Travel Survey (see Sec. Sec. 300-70.1 through 300-70.4 of this title).

Sec. 302-2.205 What are agency responsibilities to implement the Federal relocation management program?

Agencies must-

(a) Designate an authorized representative to administer the program including the eTravel service or your agency's approved automated travel system;

(b) Ensure that you have internal policies and procedures in place to implement the requirements of this chapter; and

(c) Implement a Relocation Management Reporting System no later than September 30, 2005.

Relocation Payment System

Sec. 302-2.300 What is a relocation payment system?

A relocation payment system facilitates the payment of official relocation expenses which include, but are not limited to-

(a) Issuance and maintenance of Government contractor issued individually billed charge cards;

(b) Establishment of centrally billed accounts for the purchase of travel and transportation services;

(c) Issuance of travelers checks; and

(d) Provision of automated-teller-machine (ATM) services worldwide.

Comments: Disagree that (c) and (d) should be included here. These are bank and credit union activities. A relocation payment system can handle these as reimbursable expenses.

Sec. 302-2.305 How do agencies obtain relocation payment system services?

You may obtain relocation payment services by-



- (a) Participating in GSA's travel payment system;
- (b) Participating in another Federal agency's travel payment system services program; or
- (c) Contracting directly with a travel payment system service if your agency has contracting authority, and you are not a mandatory user of GSA SmartPay charge card program.

Note to Sec. 302-2.305: Under the GSA charge card program effective November 30, 1998, it will be your responsibility to select the vendor that will be most beneficial to your agency's travel and transportation needs.

Relocation Management Reporting System

Sec. 302-2.400 How do agencies acquire a Relocation Management Reporting System?

You should acquire a Relocation Management Reporting System-

- (a) As one of the services offered by a relocation management company under contract with the Federal Government;
- (b) As a separate service provided by third party companies who specialize in such relocation management information services, or as a service provided by another Federal agency; or
- (c) You may also use relocation reporting capabilities that are included with your agency's financial management system, provided that those capabilities are sufficient to satisfy the data capture and reporting requirements of a Relocation Management Reporting System. (See Sec. 302-2.200.)

Sec. 302-2.405 May we obtain an exception from the use of a Relocation Management Reporting System?

Yes, your agency head may request an extension on the implementation deadline by writing the administrator of General Services, explaining the reason for the delay, and proposing an alternative deadline that would be more achievable by your agency that is no later than September 30, 2006. Requests for exceptions should be sent to the Office of Governmentwide Policy, Travel Management Policy, Room G-219, General Services Administration, 1800 F Street, NW., Washington, DC 20405.

PART 302-3--RELOCATION ALLOWANCE BY SPECIFIC TYPE

13. The authority citation for 41 CFR part 302-3 continues to read as follows:

Authority: 5 U.S.C. 5738; 20 U.S.C. 905(a).

Sec. Sec. 302-3.304 through 302-3.315 [Redesignated]

14. Redesignate Sec. Sec. 302-3.304 through 302-3.315 as Sec. Sec. 302-3.306, 302-3.307, 302-3.308, 302-3.309, 302-3.310, 302-3.311, 302-3.312, 302-3.313, 302-3.314, 302-3.315, 302-3.316, 302-3.317, respectively, and add new Sec. Sec. 302-3.304 and 302-3.305 to read as follows:



Sec. 302-3.304 Is there a time limit by when I must begin my relocation travel and transportation of household goods upon separation?

Yes, all travel and transportation of household goods must begin no later than six months after-(a)

Your date of separation; or

(b) The date of death of the employee who died before separation.

Sec. 302-3.305 May I be granted an extension to the time limit for beginning my separation travel?

Yes, your agency may grant you or your immediate family member(s) (in case of your death) an extension to the time limit for beginning your separation travel, for up to 2 years from your effective date of separation or death, if you died before separation.

Sec. 302-3.306 [Amended]

15. Amend newly redesignated Sec. 302-3.306 by removing "Sec. 302-3.307" in the introductory paragraph and adding "Sec. 302-3.309" in its place.

Sec. 302-3.307 [Amended]

16. Amend newly redesignated Sec. 302-3.307 by removing "Sec. 302-3.304" in paragraph (b) and adding "Sec. 302-3.306" in its place.

Sec. 302-3.308 [Amended]

17. Amend newly redesignated Sec. 302-3.308 by removing "Sec. 302-3.307" in the introductory paragraph and adding "Sec. 302-3.309" in its place.

PART 302-4--ALLOWANCES FOR SUBSISTENCE AND TRANSPORTATION

18. The authority citation for 41 CFR part 302-4 continues to read as follows:

Authority: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13747, 3 CFR, 1971-1973 Comp., p. 586.

19. Revise Sec. 302-4.300 to read as follows:

Sec. 302-4.300 What is the POV mileage rate for PCS travel?

When PCS travel by POV is authorized/approved, the mileage reimbursement allowance shall not exceed that established, in any given year, by the IRS for moving expense deductions. See IRS Publication 521, moving Expenses, available on the Internet at <http://www.irs.gov>.

PART 302-5--ALLOWANCE FOR HOUSEHUNTING TRIP EXPENSES



20. The authority citation for 41 CFR part 302-5 is revised to read as follows:

Authority: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13747, 3 CFR, 1971-1973 Comp., p. 586.

Sec. 302-5.11 [Amended]

21. Amend Sec. 302-5.11 by removing "10" and adding "8" in its place.

Sec. 302-5.13 [Amended]

22. Amend Sec. 302-5.13 by removing "fixed amount" wherever it appears and adding "lump sum" in its place.

23. Revise Sec. 302-5.14 to read as follows:

Sec. 302-5.14 What transportation expenses will my agency pay?

(a) Your agency will authorize you to travel by any transportation mode (e.g., common carrier or POV) it determines to be advantageous to the Government. Your agency will pay for your transportation expenses by the authorized mode. If you travel by any other mode, your agency will pay your transportation expenses not to exceed the cost of transportation by the authorized mode. Generally, trips of under 250 miles will only be reimbursed for POV mileage and only at the rate prescribed in Sec. 302-4.300 of this chapter.

(b) Unless the agency performs a written cost comparison proving cost savings, only common carrier will be authorized for trips with a distance greater than 250 miles.

Sec. 302-5.15 [Amended]

24. Amend Sec. 302-5.15 by removing "fixed amount" wherever it appears and adding "lump sum" in its place.

Sec. 302-5.16 [Amended]

25. Amend Sec. 302-5.16 by removing "Sec. 302-2.2()" and adding "Sec. Sec. 302-2.21 and 302-2.22" in its place; and by removing "fixed amount" wherever it appears and adding "lump sum." in its place.

Sec. 302-5.18 [Amended]

26. Amend Sec. 302-5.18 by removing "fixed amount" in the section heading and adding "lump sum" in its place; and removing "fixed" in the section text and adding "lump sum" in its place.

Sec. 302-5.101 [Amended]

27. Amend Sec. 302-5.101 by removing "fixed amount" wherever it appears and adding "lump sum" in its place.

Sec. 302-5.103 [Redesignated]



28. Redesignate Sec. 302-5.103 as Sec. 302-5.104 and add a new Sec. 302-5.103 to read as follows:

Sec. 302-5.103 What modes of transportation may we authorize for a househunting trip?

(a) When the new official station is less than 250 miles from the old official station, you should only authorize the use of the employee's POV for a househunting trip (HHT) and reimbursement for POV mileage at the rate prescribed in this part.

(b) When the new official station is 250 miles or more from the old official station, you may authorize the use of the common carrier transportation or POV for a househunting trip, whichever is most advantageous to the Government. Reimbursement for the related transportation costs is prescribed in part 302-5 of this chapter.

(c) Exceptions for this rule may be granted by the agency when an employee or immediate family member(s) has special circumstances requiring an exception (see Sec. 303-13).

Sec. 302-5.104 [Amended]

29. Amend newly redesignated Sec. 302-5.104 by removing 'fixed amount' wherever it appears and adding 'lump sum' in its place.

PART 302-6--ALLOWANCE FOR TEMPORARY QUARTERS SUBSISTENCE EXPENSES (TQSE)

30. The authority citation for 41 CFR part 302-6 is revised to read as follows:

Authority: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13747, 3 CFR, 1971-1973 Comp., p. 586.

Sec. Sec. 302-6.11 and 302-6.12 [Amended]

31. Amend Sec. Sec. 302-6.11 and 302-6.12 by removing 'fixed amount' wherever it appears and adding "lump sum" in its place.

Sec. 302-6.15 [Amended]

32. Amend Sec. 302-6.15 by removing "Sec. 302-2.20" and adding "Sec. Sec. 302-2.21,302-2.22, and 302-2.23" in its place.

33. Revise Sec. 302-6.100 to read as follows:

Sec. 302-6.100 What am I paid under the actual TQSE reimbursement method?

Your agency will pay your actual TQSE incurred, provided the expenses are reasonable and do not exceed the maximum allowable amount. The "maximum allowable amount" is the "maximum daily amount" multiplied by the number of days you actually incur TQSE not to exceed the number of days authorized, taking into account that the rates decrease after the first 30 days. The "maximum daily amount" is determined by adding the rates in the following table for you and each member of your immediate family authorized to occupy temporary quarters:

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The "maximum daily amount" of TQSE under the actual expense method that-

For	You and your unaccompanied spouse\ 1 \ may each receive is-	Your accompanied spouse or a member of your immediate family age 12 or older may each receive is-	Any member of your immediate family under age 12 may each receive is-
Day 1 to Day 30.....	100% x the applicable per diem rate.	75% x the applicable per diem rate.	50% x the applicable per diem rate.
Day 31 to Day 120.....	55% x the applicable per diem rate.	40% x the applicable per diem rate.	30% x the applicable per diem rate.

\ 1 \ (That is, when the spouse necessarily occupies temporary quarters in lieu of the employee or in a location separate from the employee.)

34. Revise subpart C, consisting of Sec. Sec. 302-6.200 through 302-6.204 to read as follows:

Subpart C--Lump Sum Payment

Sec. 302-6.200 What am I paid under the lump sum payment reimbursement method?

If your agency offers and you select the lump sum TQSE payment, you are paid a lump sum for each day authorized up to 30 days. No extensions are allowed under the lump sum payment.

Sec. 302-6.201 How do I determine the amount of my lump sum payment?

(a) Multiply the number of days your agency authorizes TQSE by the maximum per diem rate (Le., lodging plus meals and incidental expenses) prescribed in FTR Per Diem Bulletin for the locality Le., the old or new official station or combination thereof, where temporary quarters will be occupied.

(b) For each member of your immediate family, multiply the same number of days by .25 times the same per diem rate.

(c) Your payment will be the sum of the calculations in paragraphs (a) and (b).

Sec. 302-6.202 Will I receive additional TQSE reimbursement if my lump sum payment is not adequate to cover my actual TQSE?

No, you will not receive additional TQSE reimbursement if the lump sum payment is not adequate to cover your actual TQSE.



Sec. 302-6.203 May I retain any balance left over from my TQSE lump sum payment if such payment is more than adequate?

Yes, if your lump sum TQSE payment is more than adequate to cover your actual TQSE expenses, any balance belongs to you.

Note to Sec. 302-6.203: For example, if your agency authorizes and you accept a lump sum payment for 15 days of TQSE and you vacate temporary quarters after 10 days for any reason, you would retain the remaining balance for the 5 days of TQSE not incurred.

Sec. 302-6.204 Am I required to file a voucher for TQSE if I selected the lump sum payment?

No, the intent of the lump sum payment is to simplify the process and eliminate the need for filing a voucher, however, your agency may request proof that you actually occupied temporary quarters and in the absence of sufficient proof, demand repayment of the TQSE lump sum payment in accordance with Sec. 302-6.305.

Sec. 302-6.301 [Amended]

34a. Amend Sec. 302-6.301 by removing "fixed amount" wherever it appears and adding "lump sum" in its place.

35. Revise Sec. 302-6.304 to read as follows:

Sec. 302-6.304 What factors should we consider in determining whether to offer an employee the lump sum payment option for TQSE?

When determining whether to offer an employee the lump sum payment option for TQSE, the following factors should be considered:

(a) Ease of administration. A lump sum for TQSE is paid to the employee prior to the occupancy of temporary quarters, and the voucher review process is eliminated under this method. Actual TQSE reimbursement requires an agency to review claims and receipts for the validity, accuracy, and reasonableness of each expense amount.

(b) Cost consideration. You must weigh the cost of each alternative. Actual TQSE reimbursement may extend up to 120 consecutive days, while the lump sum payment is limited to a maximum of 30 days.

(c) Treatment of employee. The employee is allowed to choose between actual TQSE reimbursement and the lump sum TQSE payment when you offer the lump sum TQSE payment method. You therefore should weigh employee morale and productivity considerations against actual cost considerations in determining which method to offer.

Sec. 302-6.305 [Redesignated as Sec. 302-6.307]

36. Redesignate Sec. 302-6.305 as Sec. 302-6.307.

37. Add new Sec. Sec. 302-6.305 and 302-6.306 to read as follows:



Sec. 302-6.305 Must we require transferees to sign a statement that TQSE was incurred?

Yes, transferees electing the lump sum TQSE reimbursement option must sign a statement that they will occupy temporary quarters and incur TQSE expenses. If no TQSE expenses are incurred, all monies advanced for the lump sum TQSE payment must be returned to the agency. You must not authorize lump sum TQSE for employees who do not need temporary quarters.

Sec. 302-6.306 When must we make the lump sum TQSE payment to the transferee?

You must pay the transferee the lump sum TQSE payment prior to the occupancy of temporary quarters.

PART 302-7--TRANSPORTATION AND TEMPORARY STORAGE OF HOUSEHOLD GOODS AND PROFESSIONAL BOOKS, PAPERS, AND EQUIPMENT (PBP&E)

38. The authority citation for 41 CFR part 302-7 continues to read as follows:

Authority: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O.11609, 36 FR 13747, 3 CFR, 1971-1973 Comp., p. 586.

Sec. 302-7.1 [Amended]

39. Amend Sec. 302-7.1 by removing "Sec. 302-3.304" from paragraph (d) and adding "Sec. 302-3.306" in its place.

40. Revise Sec. 302-7.2 to read as follows:

Sec. 302-7.2 What is the maximum weight of HHG that may be transported or stored at Government expense?

By statute, the maximum weight allowance of HHG that may be shipped or stored at Government expense is 18,000 pounds net weight. The HHG net weight is determined by subtracting 10 percent from the shipment net weight as shown on the shipping documents to *reflect* the weight of packing materials.

41. Revise section 302-7.4 to read as follows:

Sec. 302-7.4 Does the weight of any professional books, papers and equipment (PBP&E) or Unaccompanied Air Baggage (UAB) count against the 18,000 pound HHG weight limitation?

(a) Yes, the weight of any PBP&E and UAB (see subpart D of this part) is generally part of and not in addition to the 18,000 pounds net HHG weight limitation. However, if the weight of any PBP&E causes the lot to exceed 18,000 pounds net weight, the excess weight of the PBP&E may be transported to the new duty station as an administrative expense of the agency. To the extent possible for ease of administration, the PBP&E items should be included as part of the HHG shipment. Only in the case of an overweight shipment should a separate administrative expense be charged to the, agency, and only for the overweight *portion* of the



shipment. Authorization for such shipment is granted solely at the discretion of the agency and subject to its policies governing such shipment. (See definition of PBP&E in Sec. 300-3.1 of this subtitle.)

Comments: Strongly disagree that UAB be included in the 18,000 pound HHG weight shipment. See our comments in Sec. 300-3.1 above, that DOS 6 FAM 148.2-1b states, "The unaccompanied baggage weight allowance is in addition to the household effects weight allowance.

(b) If PBP&E are included with an HHG shipment and cause an overweight condition, you must identify this fact and the total weight of the PBP&E, so that your agency is made aware of this situation and determine whether or not to approve the shipment of the overweight PBP&E.

Sec. Sec. 302-7.8 through 302-7.20 [Redesignated]

42. Redesignate Sec. Sec. 302-7.8 through 302-7.20 as Sec. Sec. 302-7.9,302-7.10,302-7.11,302-7.12, 302-7.13,302-7.14,302-7.15,302-7.16, 302-7.17, 302-7.18, 302-7.19, 302-7.20, 302-7.21, respectively, and add a new Sec. 302-7.8 to read as follows:

Sec. 302-7.8 At what location may my HHG be temporarily stored?

Your HHG may be placed in temporary storage at origin, in transit, at destination, or any combination thereof upon agency approval.

43. Revise newly redesignated Sec. 302-7.9 to read as follows:

Sec. 302-7.9 Is there a time limit for the temporary storage of an authorized HHG shipment?

(a) The initial period of temporary storage at Government expense shall not exceed 60 days in connection with any authorized HHG shipment. However, upon your written request, up to an additional 90 days may be authorized by the designated agency official. In no case may the maximum time limit for temporary storage exceed 150 days.

(b) The number of days authorized for HHG storage must *coincide* with the number of days authorized for TQSE. For example, if TQSE is authorized *for* 60 days, storage of HHG must be equal to the number of days authorized for TQSE plus a reasonable number of days for delivery from the storage location (not to exceed 14 days).

Sec. 302-7.10 [Amended]

44. Amend newly redesignated Sec. 302-7.10 by removing "90-day" and adding "60-day" in its place in the section heading and introductory paragraph.

45. Revise newly redesignated Sec. 302-7.16 to read as follows:

Sec. 302-7.16 Must I use the method selected by my agency for transporting my HHG, PBP&E and temporary storage?



No, you do not have to use the method selected (Sec. 302-7.301) by your agency for transporting your HHG, PBP&E and temporary storage. You may pursue other methods. However, your reimbursement is limited to the actual cost incurred, not to exceed what the Government would have incurred under the method selected by your agency.

46. Revise newly redesignated Sec. 302-7.21 to read as follows:

Sec. 302-7.21 If my HHG shipment includes an item (e.g., boat, trailer, ultralight vehicle) for which a weight additive is assessed by the HHG carrier, am I responsible for payment?

Yes, you are responsible for the shipping charges resulting from the weight additive as well as any special packing, crating, and handling of the weight additive items. If your HHG shipment includes an item (e.g., boat or trailer) for which a weight additive is assessed by the HHG carrier (as prescribed in applicable tariffs), only the actual weight of the item and not the weight additive is included in the computation of the maximum weight prescribed in Sec. 302-7.2. (For example, when a weight additive of 700 pounds is imposed by a HHG carrier on a 65-pound canoe, only the 65 pounds is charged against the employee's 18,000 pounds net weight allowance). See Sec. 302-7.200 on how charges are paid and who makes the shipping arrangements.

47. Revise subpart D and add a new subpart E to read as follows:

Subpart D--Baggage Allowance

302-7.300 When may I be authorized a UAB shipment?

302-7.301 Is my UAB shipment in addition to the 18,000 pounds net weight of HHG weight allowance?

302-7.302 What is the maximum weight allowance for a UAB shipment?

302-7.303 When may my agency authorize the shipment of UAB?

302-7.304 Is there a time limit for shipment of my UAB?

302-7.305 Who makes arrangements for transporting my UAB?

Subpart E--Agency Responsibilities

302-7.400 What policies and procedures must we establish for this part?

302-7.401 What method of transportation should we authorize for shipment of HHG and temporary storage?

302-7.402 What method of transportation should we authorize for shipment of PBP&E and UAB? 302-7.403 What guidelines must we follow when authorizing transportation of PBP&E as an administrative expense?

302-7.404 When HHG are shipped under the actual expense method and PBP&E are shipped as an administrative expense in the same lot, are separate weight certificates required?

302-7.405 How must we arrange transportation of HHG and UAB?



Subpart D--Baggage Allowance

Sec. 302-7.300 When may I be authorized a UAB shipment?

You may be authorized a UAB shipment prior to transferring from a CONUS location to an OCONUS location, between OCONUS locations, and from an OCONUS location to a CONUS location.

Sec. 302-7.301 Is my UAB shipment in addition to the 18,000 pounds net weight of HHG weight allowance?

No, the UAB shipment is part of, not in addition to, the 18,000 pounds net weight allowance for HHG.

Comments: Strongly disagree that UAB be included in the 18,000 pound HHG weight shipment. See our comments in Sec. 300-3.1 above, quoting DOS 6 FAM 148.2-1 b.

Sec. 302-7.302 What is the maximum weight allowance for a UAB shipment?

The maximum weight allowance for a UAB shipment is-

(a) 350 pounds net weight for the employee and for each immediate family member 12 years of age and over; or

(b) 175 pounds net weight for each immediate family member under 12 years of age.

Comments: Strongly Disagree. As noted previously, relying on DOS 6 FAM 148.2-1b., our practice has been to not include UAB as part of the 18,000 lbs. allowed. The proposed definition in Sec. 300-3.1 of unaccompanied air baggage) would include UAB as part of the 18,000 lbs.

We have also followed (and intend to continue following) Dept. of State's UAB weight allowances in DOS 6 FAM 148.2-2-1a., which prescribe allowances of 250 lbs. for the first person, 200 lbs. for the second, 150 lbs. for the third, and 100 lbs. for any additional persons. The proposed allowances follow DOD practice and are too complicated and expensive. For example, State's UAB weight for a typical family of four, all over age 12, amounts to 700 lbs. The proposed UAB weight under the proposed rule (302-7.302) would be twice as much (350 lbs each, totaling 1,400 lbs.) and would cost approximately twice as much to ship.

Sec. 302-7.303 When may my agency authorize the shipment of UAB by expedited means?

Your agency may authorize the shipment of UAB by expedited means when-

(a) Shipment by a lower cost mode cannot provide the required service, or

(b) You certify that your UAB is necessary to carry out your assigned duties, or

(c) Your agency determines that an expedited shipment is necessary to prevent undue hardship to you and members of your immediate family.

Sec. 302-7.304 Is there a time limit for shipment of my UAB?



Yes, your UAB must be shipped prior to your departure from your old duty station to ensure that your shipment arrives by the time you report to your new duty station. Arrangements should begin prior to your departure to your new duty station.

Sec. 302-7.305 Who makes arrangements for transporting my UAB?

Your agency or your agency's designee should arrange for the transport of your UAB.

Subpart E--Agency Responsibilities

Note to subpart E: Use of pronouns "we", "you", and their variants throughout this subpart refers to the agency.

Sec. 302-7.400 What policies and procedures must we establish for this part?

You must establish policies and procedures as required for this part, including who will-

- (a) Administer your household goods program;
- (b) Authorize PBP&E to be transported as an agency administrative expense;
- (c) Authorize an employee to ship UAB;
- (d) Authorize temporary storage in excess of the initial 60-day limit;
- (e) Collect any excess cost or charges;
- (f) Advise the employee on the Government's liability for any loss and damage claims under 31 U.S.C.

3721-3723; and

(g) Ensure that international HHG shipments by water are made on ships registered under the laws of the United States whenever such ships are available.

Sec. 302-7.401 What method of transportation should we authorize for shipment of HHG and temporary storage?

There are two methods of transporting HHG and providing *for* temporary storage, a Actual expense and commuted rate. As a general rule, you should authorize the method that is less costly to the Government. The selected method should be stated on the relocation travel authorization. Additional considerations that might affect your choice of method are:

(a) Actual Expense Method. Under the actual expense method, the Government assumes the responsibility for arranging and paying for the actual expenses of all aspects of transporting the employee's HHG, including PBP&E (e.g., packing/unpacking, pickup/delivery, weighing, line-haul, drayage, temporary storage, etc.). This method is used for all shipments OCONUS and within CONUS, where deemed economical to the Government.

(b) Commuted Rate System. Under the commuted rate system, the employee assumes total responsibility for arranging and paying for the following services: Packing/unpacking, crating/uncrating, pickup/delivery, weighing, line-haul, drayage, and temporary storage of the employee's HHG (including PBP&E) with a



commercial HHG carrier or by renting self drive equipment for a do-it-yourself move. The commuted rate is calculated based on published freight tariffs applied to the actual weight of the goods being shipped (subject also to the weight limitation in Sec. 302-7.2). The commuted rate method may be used in lieu of the actual expense method for relocation or first duty station assignment within CONUS, as long as using this method is less expensive than using the actual expense method. If PBP&E make the weight of a shipment under the commuted rate method go over the 18,000 net weight limit for HHE, then the actual cost of shipping that excess weight must be paid as an administrative expense of the agency. In this case, all related transportation arrangements (e.g., packing/unpacking, pickup/delivery, weighing, temporary storage, etc.) associated with shipping this excess weight will be handled and paid for by your agency.

Sec. 302-7.402 What method of transportation should we authorize for shipment of PBP&E and UAB?

You should authorize the actual expense method for transporting an employee's PBP&E only when the weight of the PBP&E causes the employee's shipment to exceed the maximum 18,000 pounds net HHG weight limitation and in accordance with Sec. 302-7.403. PBP&E and UAB should be weighed prior to shipment, if necessary, so the weight can easily be deducted from the 18,000 pounds net weight allowance. The PBP&E shipment should then be made separate from the HHG shipment and is an administrative expense to your agency if your agency authorized PBP&E and the PBP&E caused the HHG shipment to go overweight.

Comments: Strongly disagree that UAB be included in the 18,000 pound HHG weight shipment. See our comments in Sec. 300-3.1 above, quoting DOS 6 FAM 148.2-1b.

Sec. 302-7.403 What guidelines must we follow when authorizing transportation of PBP&E as an administrative expense?

You have the sole discretion to authorize transportation of PBP&E as an administrative expense and may do so provided that-

(a) An itemized inventory of PBP&E is provided for review by the authorizing official at the new official station;

(b) The authorizing official at the new official station has certified that the PBP&E are necessary for performance of the employee's duties at the new duty station, and if these items were not transported, the same or similar items would have to be obtained at Government expense for the employee's use at the new official station; and

(c) You have acquired evidence that transporting the PBP&E would cause the employees' HHG to exceed the 18,000 pounds maximum net weight allowance.

Sec. 302-7.404 When HHG are shipped under the actual expense method and P8P&E are shipped as an administrative expense in the same lot, are separate weight certificates required?

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Yes, separate weight certificates are required. The weight of PBP&E and the administrative appropriation chargeable must be listed as separate items on the bill of lading or other shipping document.

Sec. 302-7.405 How must we arrange transportation of HHG and UAB?

When arranging transportation of HHG and UAB, you should-

(a) Determine the constructive cost of transporting HHG plus UAB, not to exceed 18,000 pounds net weight in one lot by the most economical means and limit the employee's HHG transportation payment to such constructive cost;

Comments: Strongly disagree that UAB be included in the 18,000 pound HHG weight shipment. See our comments in Sec. 300-3.1 above, quoting DOS 6 FAM 148.2-1b.

(b) Make arrangements for transporting the employee's UAB under the appropriate bill of lading with direct payment by the agency; and

(c) Advise employees of this relocation entitlement limitation and its potential to result in out-of-pocket expenses to the employee. Advise employees that they will have to use their personal funds to pay for transporting HHG (including UAB) in excess of 18,000 pounds net weight.

Comments: Strongly disagree that UAB be included in the 18,000 pound HHG weight shipment. See our comments in Sec. 300-3.1 above, quoting DOS 6 FAM 148.2-1 b.

48. Add Appendix A to part 302-7 as follows:

Appendix A to Part 302-7--How to Calculate a Constructive Cost

An employee is authorized temporary duty (TOY) in Dallas, TX, from his/her permanent duty station in Washington, DC.

Employee is authorized to travel by commercial air; however, employee elects to travel by privately owned vehicle (POV) (not authorized). Maximum per diem rate for Dallas, TX, at the time of the TOY assignment, \$142.00 (\$95.00 maximum lodging plus \$47.00 (meals and incidental expenses (M&IE))). Actual lodging cost at Dallas, TX, was \$85.00.

Total Constructed Travel Cost By Common Carrier

Round-trip air coach ticket (city-pair fare paid by Government) =	\$355.71
Taxi fare residence to airport =	\$35.00
Taxi fare airport to hotel =	\$25.00



First Day - travel to Dallas: 75% of M&IE rate for Dallas, plus lodging cost =		
\$35.25 (75% x \$47.00) plus \$85.00 lodging cost =.....	Three	\$120.25
full days TOY in Dallas: 3 days x \$132.00 (\$85.00 lodging + \$47.00 M&IE) =.....		\$396.00
Last Day - return to PDS Washington, DC: 75% of M&IE rate for Dallas, TX = (75% X \$47.00) =		\$35.25
Lodging Taxes in Dallas (13%) =.....		\$44.20
Taxi fare hotel to airport =.....		\$25.00
Taxi fare airport to residence =		\$35.00
Total constructed cost by common carrier =.....		\$1,071.41

PART 302-9--ALLOWANCES FOR TRANSPORTATION AND EMERGENCY STORAGE OF A PRIVATELY OWNED VEHICLE

49. The authority citation for 41 CFR part 302-9 continues to read as follows:
 Authority: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13747, 3 CFR, 1971-1973 Comp., p. 586.

Sec. 302-9.140 [Amended]

50. Amend Sec. 302-9.140 in paragraph (a) by removing "Sec. 302-9.503" and adding "302-9.504" in its place.

Sec. 302-9.170 [Amended]

51. Amend Sec. 302-9.170 by removing "302-9.503" in paragraph (d) and adding "302-9.504" in its place.

52. Amend Sec. 302-9.301 by removing "and" at the end of paragraph (b), removing the period at the end of paragraph (c) and adding ";" in its place, and adding paragraphs (d) and (e) to read as follows:

Sec. 302-9.301 Under what conditions may my agency authorize transportation of my POV within CONUS?
 ***** ** * .. ** * .. ***** .. ** * .. *****

- (d) Your agency must determine that the cost of transporting your POV is not greater than the value of your POV; and
- (e) The distance to be shipped is 600 miles or more.

53. Revise Sec. 302-9.302 to read as follows:
 Sec. 302-9.302 How many POV's may I be authorized to transport within CONUS?



You may be authorized to transport up to two POV's within CONUS at Government expenses under this subpart, provided your agency determines such transportation is advantageous and cost effective to the Government in accordance with Sec. 302-9.301.

Sec. Sec. 302-9.501 through 302-9.505 [Redesignated]

54. Redesignate Sec. Sec. 302-9.501 through 302-9.505 as Sec. Sec. 302-9.502, 302-9.503, 302-9.504, 302-9.505, 302-9.506, respectively, and add a new Sec. 302-9.501 to read as follows:

Sec. 302-9.501 How many POV's may we authorize for transporting at Government expense?

You may authorize transportation of up to two POV's at Government expense.

Sec. 302-9.504 [Amended]

55. Amend newly designated Sec. 302-9.504 by removing the reference to "Sec. 302-9.504" and adding "Sec. 302-9.505" in its place.

56. Amend newly designated Sec. 302-9.505 by removing "and" at the end of paragraph (c), removing the period at the end of paragraph (d) and adding "; and" in its place, and adding paragraph (e) to read as follows:

Sec. 302-9.505 What factors must we consider in deciding whether to authorize transportation of a POV to a post of duty?

.....

(e) Cost of transporting the POV to the new duty station will be greater than the value of the POV.

Comments: Clarify new paragraph (e) to 302-9.505. The wording in 9.505(e) needs to be consistent with the wording in 302-9.301 (d) above, which requires that "Your agency must determine that the cost of transporting your POV is not greater than the value of your POV..." which is clear. Also, both paragraphs should add that the POV value should be based on Blue Book or some other standard.

57. Amend newly designated Sec. 302-9.506 by removing the period at the end of paragraph (d) and adding "; and" in its place, and adding paragraph (e) to read as follows:

Sec. 302-9.506 What must we consider in determining whether transportation of a POV within CONUS is cost effective?

.....

(e) Cost of transporting the POV to the new duty station will be greater than the value of the POV.

Comments: To be consistent with Sec. 302-9.301 (d) above, add, "(f) The distance to be shipped is 600 miles or more."



PART 302-11--ALLOWANCES FOR EXPENSES INCURRED IN CONNECTION WITH RESIDENCE TRANSACTIONS

58. The authority citation for 41 CFR part 302-11 continues to read as follows:

Authority: 5 U.S.C. 5738 and 20 U.S.C. 905(c).

59. Amend Sec. 302-11.2 by removing the period at the end of paragraph (b)(2) and adding "; and" in its place, and adding paragraphs (c) and (d) to read as follows:

Sec. 302-11.2 Am I eligible to receive an allowance for expenses incurred in connection with my residence transactions?

(c) For this allowance to be tax deductible, your commute from the old residence to the new duty station by commonly traveled routes must increase by at least 50 miles. (See Internal Revenue Service Publication 521, Moving Expenses.) However, the head of your agency or designee may authorize an exception to the 50-mile threshold on a case-by-case basis when he/she determines that it is in the best interest of the Government. If such an exception is authorized, however, this allowance is not tax deductible.

Comments: Sec. 302-2.6 states that "... you may not be reimbursed for relocation expenses if you relocate to a new official station that is less than 50 miles from your old official station..... Then (c) reminds us that the allowance will not be deductible unless the commute from the old residence to the new duty station increases by at least 50 miles. Could we simplify matters by changing Sec. 302-2.6 to be consistent with new (c)? All we need to do is change the phrase as follows: "... you may not be reimbursed for relocation expenses if you relocate to a new official station that is less than 50 miles from your old residence..." or something to that effect.

(d) Any relocation must be incident to the transfer and not for the convenience of the employee.

Sec. 302-11.21 [Amended]

60. Amend Sec. 302-11.21, in the second sentence, by removing "two years" and adding "one year" in its place.

61. Revise Sec. 302-11.22 to read as follows:

Sec. 302-11.22 May the 1-year time limitation be extended by my agency?

Yes, your agency may extend the 1-year limitation for up to one additional year for reasons beyond your control and acceptable to your agency.

62. Amend Sec. 302-11.200 by revising the introductory paragraph to read as follows:



Sec. 302-11.200 What residence transaction expenses will my agency pay?

Your agency will reimburse you for residence transaction expenses not to exceed those customarily charged in the locality where the residence is located. Provided that they are customarily paid by the seller of a residence at the old official station or by the purchaser of a residence at the new official station, your agency will pay the following expenses:

PART 302-15--ALLOWANCE FOR PROPERTY MANAGEMENT SERVICES

63. The authority citation for 41 CFR part 302-15 continues to read as follows:

Authority: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR

13747,3 CFR, 1971-1973 Comp., p. 586.

64. Revise Sec. 302-15.2 to read as follows:

Sec. 302-15.2 What are the purposes of the property management services allowance?

The purposes of the property management allowance are-

- (a) To reduce overall Government relocation costs by using the property management allowance in place of the allowances for the sale of the employee's residence; and
- (b) To relieve employees transferred OCONUS from the costs of maintaining a home in the United States during their tour of duty.

65. Revise Sec. 302-15.70 to read as follows:

Sec. 302-15.70 What governing policies must we establish for the allowance for property management services?

You must establish policies and procedures governing-

- (a) When you will authorize payment for property management services for an employee who *transfers* in the interest of the Government;
- (b) When it is appropriate to authorize this service on a reimbursable basis to the employee, rather than paying the property management company directly as long as any reimbursement is limited to the agency negotiated rate for this service or lower;
- (c) Who will determine, for relocations to official duty stations in the United States, whether payment for property management services is more advantageous and cost effective than sale of an employee's residence at Government expense;
- (d) If and when you will allow an employee who was offered and accepted payment for property management services to change his/her residence at Government expense in accordance with paragraph (e) of this section; and



(e) How you will offset expenses you have paid for property management services against payable expenses for sale of the employee's residence when an eligible employee who elected payment for property management services later changes his/her mind and elects instead to sell his/her residence at Government expense.

Reformatted 12/17/04

1023-309-13

VIA FACSIMILE

January 24,2005

General Services Administration
ATTN: Laurie Duarte
Regulatory Secretariat (V) 1800
F Street, NW.
Room 4035
Washington, DC 20405

RE: FEDERAL REGISTER NOTICE REQUESTING COMMENTS ON GSA's PROPOSED
CHANGES TO THE FEDERAL TRAVEL REGULATION ON RELOCATION

Dear Ms. Duarte:

I am writing on behalf of more than 150,000 federal employees, which I represent as the National President of the National Treasury Employees Union (NTEU). This comment is to express our views on the proposed changes to the relocation regulations in the Federal Travel Regulation (FTR). GSA requested comment on this matter in light of the recommendations submitted by the Relocation Best Practices Committee (RBPC). I appreciate GSA's decision to solicit input from all interested parties while considering this important issue as it may impact thousands of federal employees.

NTEU has long advocated for the best possible solution for federal employees when the government sees an issue with current regulations and procedure. GSA is proposing to substantially alter the rules on relocation for federal employees by issuing sweeping revisions to the FTR. By virtue of the proposed changes, federal employees and the federal government will be losing time, money, and efficiency. The following comments address only the proposed changes that will have a substantial impact on the federal employees.

1. GSA is proposing to reduce the length of time to complete a relocation.

This proposed change will limit the time an employee and his/her immediate family must complete all aspects of his /her relocation from two years to one year from the effective date of his/her transfer or appointment. With this change, employees will have to complete all aspects of relocating their families in a one year time span, which may be unreasonable in certain circumstances. The rule is a blanket rule insomuch as it does not



distinguish moves for families relocating from California to New York, in which case a move can take longer than a move from Maryland to Virginia. By reducing the time an employee must take to relocate, this proposed rule will likely trigger more requests for extensions; inevitably costing the government more money.

2. Reduce the length of time for relocation extensions.

This proposed change will limit the time relocation can be extended from two years to one year. Reducing the amount of time of a relocation extension will cause unreasonable pressure on the employee to complete the relocation process in the time allotted. The government will run the risk of an employee (and family) not being in place and settled in the new location by the time the employee is scheduled to report to duty. At that point, not only will the government need to accommodate that employee (and family) beyond the extension period since it was shortened to one year, but the employee may need to use leave to expedite the completion of his /her relocation.

Additionally, this proposed rule fails to take into consideration extenuating circumstances that may be out of the employee's or family's control. Reducing the time for an extension rule to one year is unfair to relocating employees that need more time and could possibly cost the government more money than it would have under the current rule of up to a two-year extension.

3. Require disclosure statements so that the government will not pay for relocation expenses that are paid by another government or private source.

This proposed change will require all relocating employees to sign a disclosure statement. Depending on how detailed the disclosure statements must be that are required by relocating employees, this change may require the federal employee to attest to facts they do not know for certain. Employees, particularly married employees, do not always know to what extent the expense of their relocation may be shared by a spouse's employer. Having the employee attest to coverage prior to incurring expenses would be premature and unnecessary. If expenses are covered by another source, the government already has a mean to recoup those expenses.

4. Reduce the maximum allowable number of days for a househunting trip.

This proposed change will limit the maximum number of house hunting trip days from 10 calendar days to 8 calendar days. We are concerned about this because employees will have fewer days to find a home, which can sometimes take longer than the current 10 day maximum. Reducing the househunting trip by two days will eventually cost the government more money because the employee will have to take an entire second trip to locate housing if the proposed 8 days is not enough.

This decrease by two work days could result in a break up of the work week. Under the current 10 day rule, employees can take two full weeks to search for a home, which could include up to three weekends; time that could be necessary to survey the area,

evaluate the more efficient commuter routes, and access the schools for example. By cutting two days off the allotment, the employee will not only lose two weekdays, but also a weekend for the trip. Furthermore, the employee will also only work a two-day work week prior to or at the end of the trip. To ensure the maximum benefits of the househunting trip, the 10-day rule should remain in effect.

5. Amend the FTR to encourage the use of lump sum payments because of administrative efficiency as well as the potential for cost savings.

This proposed change will mean that relocating employees will not be able to expense their relocating expenses. A lump sum will require employees to manage and budget relocation money themselves for various costs, such as househunting trips, per diem, temporary living quarters, and transportation expenses. We are concerned about this proposed change because a lump sum requirement may result in employees paying for expenses out-of-pocket although they would have been entitled to receive reimbursement for the relocation costs. For employees that may underestimate their relocations costs or in situations that may arise out of the employee's control, the employee will be penalized for not anticipating the appropriate expenses by having to cover those expenses with their own money. If this process is imposed, the agencies should also be required to allow for exceptions and grant itemized reimbursements for additional actual expenses.

6. Amend the FTR to clarify that the definition of 18,000 pounds net weight of HHG does not include packing materials.

We support this proposed change of excluding the weight of packaging materials from the net weight maximum of 18,000 pounds. By allowing the 18,000 pounds net weight of HHG to exclude packaging materials, the employee will be able to move more of his/her personal items without incurring the cost of shipping.

7. Amend the FTR to clarify where HHG may be temporarily stored.

This proposed change will add convenience to an employee's relocation by clarifying that HHG may be placed in temporary storage at origin, in transit, at destination, or any combination thereof upon agency approval. Employees should have as much flexibility and convenience in where their HHG may be stored as possible.

8. Limit the maximum number of days of temporary storage of HHG to a total of 150 and require that the number of days allowed parallel the number of days allowed for TQSE.

This proposed change will limit the initial period of temporary storage at government expense to not exceed 60 days and will allow, upon written request, an additional 90. Therefore, the maximum time limit cannot exceed 150 days. The number of days authorized for HHG storage must coincide with the number of days authorized for TQSE. We are concerned about that when an employee is authorized 60 days for TQSE, the employee will only be entitled to 60 days of temporary storage. Although the employee is

given a reasonable number of days for delivery from the storage location, it is not to exceed 14 days. This proposed change does not take into consideration that an employee may have to wait on moving in items from storage because of various events that need to take place before actual move-in, such as house closing and house preparation (i.e., cleaning, painting, inspection, repairs). GSA should consider adding more flexibility to agencies to allow for extenuating circumstances.

9. Reduce the initial storage period from 90 to 60 days.

This proposed change will reduce the number of temporary storage days of HHG from 90 days to 60 days. We are concerned about this change because the employee will not have a holding place for his/her things until he/she is ready to move into his/her new location. This proposed change will not consider unforeseeable circumstances that may extend the storage time. The agency should be encouraged to make exceptions to the proposed 60 days storage of HHG on a case-by-case basis.

10. Amend the FTR to specify the responsibility for payment of weight additives.

This proposed change will make the employee responsible for the shipping charges resulting from the extra weight (in excess of 18,000 net weight maximum) from shipping as well as any special packing, crating, and handling of the items causing the extra weight. This proposed change places an unfair burden on relocating employees. The agency should be encouraged to provide exceptions to the maximum, for example, when a moving family is larger than an average family.

11. Require agencies to consider additional conditions before authorizing transportation of privately owned vehicles (POV) to assure that agencies are not domestically transporting POVs when the cost of transportation is more than the value of the POV.

The value of an employee's personal vehicle is irrelevant to the obligation of transporting the vehicle. The decision to relocate on behalf of the government should not come down to whether an employee drives a nice enough car or can afford to purchase a new car when they arrive in their new POD.

12. Amend the FTR to insure that agencies are not transporting a POV to a post of duty when the cost of transportation is more than the value of the POV.

Same as above.

13. Limit agency shipment of a POV to 600 miles or more.

The decision to transport a POV should be determined based on the most efficient cost to the government. If it is less expensive to ship the vehicle (regardless of miles) than the cost of driving (considering travel, per diem, and administrative leave, for example), then the shipment costs should be a covered cost.

2013-309-13

14. Limit the number of POV's that may be transported at government expense to two.

This proposed change will only allow the agency to authorize transportation of up to two POVs within the CONUS. This proposed change does not seem to consider a family with more than two adults or driving age children. Agencies should be encouraged to make exceptions to this rule on a case-by-case basis.

15. Reduce the time limit for extensions to submit claims for residence transactions.

This proposed change will reduce the extension for residence transaction from two years to one year and employees will have to purchase their new home within one year of relocation. This may not be possible, for example, if the employee is having a home built. Conditions beyond the control of the employee may impact the completion date. Agencies should be given the flexibility to grant extensions to this rule.

16. Amend the FfR to clarify that reimbursement of residence transaction expenses is limited to amounts customarily charged where the residences are located.

This proposed change will only allow for the agency to reimburse the employee for residence transaction expenses that do not exceed those expenses customarily charged in the locality where the residence is newly located. Relocating employees may not always be the most informed consumers in their new market. They will likely rely on the expertise of their real estate agent to recommend their mortgage broker, for example. They may not have the resources or information available to determine the customarily charged price in the new market or the resources to ship around for a less expensive service provider. As long as the employee is acting within reason, the transaction fees should be reimbursed.

* * * * *

Thank you again for the opportunity to submit our views on the critical issue of relocation. I sincerely hope that GSA will consider these concerns as it takes steps to improve fairness and efficiency in the relocation process.

Sincerely,

Colleen M. Kelley
National President

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO

John Gage
National President

Jim Davis National
Secretary-Treasurer

Andrea E. Brooks
National Vice President for
Women and Fair Practices

2003-309-14

8a/148614

January 24, 2005

General Services Administration
Regulatory Secretariat (VR)
Attn: Ms. Laurie Duarte
1800 F Street, NW
Room 4035
Washington, DC 20405
Email: ftrcase.2003-309@gsa.gov

Re: FTR Case 2003-309f Proposed Rule, Federal Travel Regulation
69 Fed. Reg. 68111 (November 23, 2004)

Dear Ms. Duarte:

On behalf of the American Federation of Government Employees ("AFGE"), I am

submitting comments on FTR Case 2003-309, Proposed Rule published in the Federal Register on November 23, 2004. AFGE notes that this proposal permits an agency to use either a lump-sum or actual cost approach in reimbursing employees for relocation expenses. Further, an agency is permitted either to require that an employee use one of these relocation calculation methods, or that agency may allow the employee the choice of a lump sum approach or reimbursements for their relocation expenses and that federal employees an actual cost approach, although allowing the employee to choose between the two approaches is not required. AFGE has worked diligently with Congressional Republicans and Democrats alike to ensure that federal employees and contractors are provided with reasonable reimbursements for their relocation expenses and that federal employees and contractors are reimbursed equitably.

AFGE notes that this proposal, which uses the Federal Travel Regulation (FTR) as a base in calculating lump sum expenses, has stricter definitions of what constitutes the maximum "lump sum" that will be paid to a Federal employee, in certain situations, than those that have been discussed in the context of the analogous proposal for revising the

Federal Acquisition Regulation (FAR) with regard to reimbursement for contractors for their own relocation lump sum expenses. Rather than rely on the FTR, the analogous FAR proposal relies on a very vague and subjective "reasonableness" standard in

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Ms. Laurie Duarte
January 24, 2005
Page 2

It is imperative that contractors and federal employees be treated equally for their relocation reimbursements, particularly with respect to 1) the calculation of lump-sum costs and 2) the discretion of the employee to determine whether to be reimbursed on a lump sum or actual cost basis.

AFGE strongly recommends that any use of the FTR as applied to Federal employees in the calculation of lump sum relocation costs that may be reimbursed, be extended as well to contractors. Accordingly, AFGE expects that the finalization of the proposed FTR and FAR rules will be appropriately coordinated to ensure that federal and contractors are reimbursed equitably for their relocation expenses.

Sincerely,

Jacqueline Simon
Public Policy Director
American Federation of Government Employees

2003-309-06



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY OFFICE
OF THE DEPUTY CHIEF OF STAFF, Q.1 200
STOVAIL STREET ALEXANDRIA, VIRGINIA
22332-0300

January 21, 2005

Policy and Program Development Division

Ms. Laurie Duarte
General Services Administration
Regulatory Secretariat (V) 1800
F Street, N.W. Washington, D.C.
20405

Dear Ms. Duarte:

The Department of the Army (DA) is providing the following comments to the proposed rules (FTR Case 2003-309) issued in the Federal Register, Volume 69, No. 225, dated Tuesday, 23 November 2004.

The DA does not have any objections to most of the changes being proposed. However, we would like to provide comments on several of the proposals.

Reducing the length of time to complete a relocation from two years to one year and to reduce the length of time for relocation extensions from two years to one year.

We recommend keeping the two-year relocation limit at two years and the relocation extension at two years. Within the OAT there are a variety of scenarios that an employee could be placed in that would require an employee to need the full relocation period including the extensions. The DA has duty stations worldwide and in some very difficult locations. While the DA is striving to develop an increasingly ready and mobile workforce and at the same time continuing to relocate employees in order to fill positions, we must be mindful of the impact that relocation has on our employees and their families. Keeping the above timeframes may allow those employees that are relocating either voluntary or involuntary to accommodate the relocation within their personal situation or circumstances. We believe this enhances our recruitment and retention efforts.

Revising the mileage rate for relocation to be in line with the Internal Revenue Service (IRS) relocation reimbursement rates.

We recommend keeping the current reimbursement rates. The current IRS relocation reimbursement rate of .14 cents is inadequate for our employees and represents a decrease in the employee's PCS allowances.

Reducing the maximum allowable number of days for a house-hunting trip from 10 to 8 calendar days to be in line with industry practices.



2003-309-15

-2

We recommend the current ten-day time limit be retained. The OA has locations in major cities and remote locations. Depending on the location of the new duty station, especially around large metropolitan areas, employees may have to expand their house-hunting radius for affordability reasons. Employees use valuable time traveling to these outlying areas which reduces the time the employee has to actually look for a house. We do not believe that eight days is sufficient time for an employee to take a house-hunting trip.

Establishing a threshold for determining which mode of transportation (POV or common carrier) should be authorized for more cost efficient house hunting trips.

We agree with establishing a threshold that specifies that an employee will only be reimbursed for POV mileage for a house hunting trip under 250 miles, and that unless the agency performs a written cost comparison proving cost savings, only a common carrier will be authorized for trips with a distance greater than 250 miles.

Requiring employees who select lump sum Temporary Quarters Subsistence Expenses (TQSE) reimbursement to certify that TQSE expenses will be incurred, and that payment to the employee of TaSE lump sum will be made prior to occupancy of temporary quarters.

One of the advantages of offering the current lump sum TOSE reimbursement is the ease of administration, Le.. the voucher review process is eliminated. Adding the above requirements does not add any value unless a corresponding review process is established.

Limiting the maximum number of days of temporary storage of household goods to a total of 150 and requiring that the number of days allowed parallel the number of days allowed for TQSE.

We do not believe there is a connection between the number of days an employee is authorized temporary storage for household goods and the number of days an employee may be authorized TOSE. Since TOSE is a discretionary entitlement, it would negate an entitlement to temporary storage when household goods shipment is authorized, but ToSE is not. These two elements should be treated as separate items when an agency authorizes relocation expenses.

This proposed change assumes that an employee's relocation plans go smoothly. For example under the new proposal, an employee who is authorized a lump sum ToSE (which is a maximum of 30 days) would be authorized 30 days of temporary storage of household goods. While the intent is that a permanent residence will be found and available during the 30 day TQSE, that may not always happen.

2003-309-15

-3

Accordingly, while the lump sum TOSE cannot be extended, the employee will need to continue the temporary storage at personal expense. Over time, this could become a deterrent to an employee's willingness to relocate.

Reducing the initial temporary storage period from 90 days to 60 days.

We believe the initial temporary storage period should stay at 90 days. The initial temporary storage period of 60 days is too short for moves from CONUS to overseas. In the overseas area, it commonly takes at least 90 days to find permanent housing.

Adding another condition that agencies must consider before authorizing transportation of a privately owned vehicle (POV) within CONUS to assure that agencies are not domestically transporting POV's when the cost of transportation is more than the value of the POV.

We do not agree this should be a factor when an agency determines whether it should authorize transportation of a POV within CONUS. A cost comparison as to whether it is more advantageous and cost effective to transport the POV should be all that is required. The effort required on part of the agency and the employee to document (Le., blue book, balanced owned, etc.) the value of the POV would increase the administrative paperwork already associated with the relocation process. We are not convinced that much savings would result in this proposal being adopted versus the time and energy spent in gathering the correct documentation.

Reducing the time limit for submitting claims for residence transaction from two years to one year.

DA agrees that requiring an employee to submit claims for residence transactions within one year of the dates of sale, purchase or release is reasonable.

We appreciate the opportunity to comment on your proposed regulations. If you have any questions, please contact Debbie Esposito on (703) 325-9972.

Sincerely,

~ ~ ~

Ann M. McFadden
Chief, Policy and Program
Development Division



mary-lou.dominguez@h
ud.gov



01/24/2005 01:53 PM

To: ftrcase.2003-309@gsa.gov
cc:
Subject: FTR Case 2003-309

Comments Provided by:

Mary Lou Dominguez
Branch Chief, Travel and National Relocation Center
Department of Housing and Urban Development P.O.
Box 901013
Fort Worth, TX 76101
817-978-5579

302-2.21 Sif!nin2 a disclosure statcment. Suggest that following this question, another question be included regarding the consequences of refusing to sign a disclosure statement. A similar Q&A is currently provided on 302-2.17 that addresses what happens if an employee fails to sign a service agreement. We feel that a similar explanation is needed for the disclosure statement.

We suggest that the disclosure statement be provided to the agencies in an effort to standardize it. We request that you provide a standard statement for all agencies to use.

302-2.200 Federal relocation mana!!cmcnt pro!!ram. The program should be defined in this section or in the glossary of terms section. While the program is described as to what it includes, a definition is lacking explaining the purpose and why it's being implemented.

302-2.200Cc) Reportin2 rCQukemcnts. The reporting requi.rements should be outlined for the agencies. Perhaps include a list of the data needed in an Appendix.

302-2.205 Implementation of a Relocation Manaeement Reportine System. Deadline of September 30,2005 is an unrealistic requirement. We suggest changing it to September 30,2006 and not offering an exception to a deadline (302-2.405). Making it a definite and realistic date would eliminate the need for GSA to process a vast number of exception requests. The retirement of the GBL should serve as an example of setting unrealistic due dates. GSA moved up the due date approximately 3 times due to the overwhelming amount of agencies that were not prepared. A year or more is more reasonable.

302-3.304 Time" limit by when to beein relocation fra vel and transpor~ation of



HHG upon separation. -A six-month time limit seems unreasonable. We suggest a more realistic time of one year. Families who will be prepared for this will accomplish this by or before six months, but providing a one-year time limit is more realistic for those families that have not had time to plan for it.

Also, there is no mention of the Family. Family should be mentioned.

302-3.305 - Extension to the time limit to begin separation travel. - Suggest it coincide with the previous question. If the previous is changed to one year, then this one should be decreased to one year.

302-4.300 pay J"lileage. We suggest that the amount published by IRS be included as appendix on an annual basis (as done with tax rates).

302-5.1 03(£) - Itlodes of transportation authorized for a househunting trip. States that exceptions to this rule may be granted when there are special circumstances requiring the exception. We don't understand the reference to section 303-13 since that chapter of the FTR deals with payment of expense connected with the death of an employee. We would like to see examples or a list of special circumstances.

302-6.203- Retaining balance left from TQSE lump sum payment. This seems to penalize those employees attempting to be prudent when estimating the number of days required, since they cannot request more later if needed. Once an agency determines a standard amount, we suggest making all lump-sum payments be based on the same number of days with the employee retaining any balance.

302-6.204- No requirement to file a voucher when TQSE Jump sum is selected. From an Accounting and Finance standpoint, we believe that vouchers should be required for a TQSE lump sum payment as they are now. We don't think giving the agency the option to request proof of TQSE occupancy is necessary. Either require the agency to request receipts or not to. Providing the option only provides room for possible discrimination and defeats the purpose and/or theory behind the lump sum payment.

302-6.305 - Agencies to require transferees to shim a statemell~ reearndine the TQSE expenses incurred. - We suggest GSA provide the statement to be used in order to standardize it.

302-6.306l\Iakiuf! Jump sum TQSE pavmen~. We don't understand the purpose



of stating that the payment "must" be made prior to the occupancy of temporary quarters. Suggest answer be revised to state that we must issue the payment when the request is made by the employee (see comments regarding need for voucher in section 302-6.204).

302-7.2 - Maximum weight of HHG. Since 10 percent of the weight has been designated as the weight of packing materials, then we suggest you simplify this by making the total allowed maximum weight 19,800 Ibs (18,000 Ibs + 1,800 Ibs).

302-7.8 - Location of where HHG may be temporarily stored. - There is no limit on the cost incurred. Since it is generally more cost effective to store at destination, it seems reasonable to state that the cost of storage will be limited to what it would have cost to store at destination.

302-7.8 Time limit for temporary storage. - Since it's stated that the number of days authorized for HHG storage must coincide with the number of days authorized for TQSE, we don't understand the purpose of stating that 14 days should not be exceeded as the time to coordinate delivery if an employee can request a 90 day extension for storage. For example, if an employee is given 60 days of TQSE and requests an additional 60 days and is granted them, then the maximum amount of storage allowed would be 134 days, not 150. Suggest omitting the "14-day rule".

302-7.16 Use of method to transport HHG selected by a carrier. - Include an explanation and/or list on what is needed to get reimbursed such as weight tickets, etc.

302-7.21 Weighing Additive - Does not explain that such charges will be billed to the agency and that the agency will in turn bill the employee. Per the Household Good Tender of Service (HTOS), carriers should not be expected to collect from the employee.

Appendix A to Part 302.7 How to Calculate a Constructive Cost. Suggest deleting the term "TDY" to avoid confusion. Chapter 302 covers relocation costs.

302-9.505 and 506 Factors to consider in authorizing transportation of POV. Suggest you provide the source of determining the value of a car such as blue book value, retail value, etc.

No consideration is given to employees that have old reliable cars that don't wish

2003-207-16

to purchase a vehicle. Perhaps consideration can be given for people with old reliable cars that use them to get to and from work.

302-11.200 Residence transaction expenses - Terms such as "customarily charged" and "customarily paid" are too vague. We suggest GSA provide a universal source or suggestion on determining what is "customary". Perhaps suggesting to contact the Realtor Association in the locality of the residence would be more helpful in determining reimbursable expenses for both the employee and the agency.

2003-309-7



Tamara_L_Peyton@ios
.doi.gov

01/24/2005 03:10 PM

To: ftrcase.2003-309@gsa.gov
cc:
Subject: FTR Case 2003 - 309 [Virus checked]

Attached are a few comments from the Department of the Interior Relocation Group.

Regards,

Tammy Peyton
Financial Specialist (Travel)
(202) 208-6227



(See attached file: GSA comments only. doc)
GSAcommentsonly.do



Department of the Interior Relocation Group Comments
01/24/05

Group was concerned that any existing travel authorizations created prior to finalization of proposed changes, would be grandfathered under the previous regulations. This should be stated.

4. Amend § 302-2.8

Group agreed, some hesitantly. Some of the group thought two years may be too aggressive. While this change will prevent employees from waiting to sell so the value of their home increases, it will be challenging for those employees who are not in good housing markets. Although one additional year may be authorized, it is often difficult to get additional time approved.

9a. Add new §§ 302-2.20 and 302-2.21

Group agreed. Group would like a copy of the disclosure form prior to finalizing 302-2.20 and 302-2.21.

Group had questions:

302-2.200: Definition/sources for a Relocation Payment system and Relocation Management Reporting System. Please include examples/sources.

302-2.205: Is the implementation date a deadline for completion or does it represent a date that migration must begin by.

302-2.305: What is a GSA travel payment system?

302-2.305 NOTE: What is the role of the charge card?

302-2.400: Letter (c) states "provided that those capabilities are sufficient to satisfy the data capture and reporting requirements" What is "sufficient?"

302-2.405: The date (09/30/06) is too aggressive. We would like to see the September 30,2006 date changed to September 30, 2007.

33. Revise § 302-6.100

Group would like the chart to include terminology: STANDARD CONUS RATE.

Group had questions:

302-6.201: What percentage does the employee receive-100%, 75%, 50%, 25%? Please state amount in (a).



302-6.203 NOTE: Why is the "vacate temporary quarters" wording included? Be consistent. You did not include where it was previously. We would like to see different words used in place of "vacate temporary quarters" such as the wording "check out of temporary quarters."

302-6.204: Change first sentence of 6.204 from may to must to read "however, your agency **MUST** request proof that you actually occupied temporary quarters. ..."

35. Revise § 302-6.304

Group would like to see (b) include rate for actual/lump sum as was previously included. Please include: "Actual TQSE reimbursement may be less expensive, since its ceiling is based on the standard CONUS, while fixed amount TQSE reimbursement is based on the locality per diem rate."

37. Add new §§ 302-6.305 and 302-6.306 to read as follows:

Include instructions on how this will be monitored, or a tracking system that will be available.

40. Revise § 302-7.2

Group agrees. This is an ongoing issue.

43. Revise newly redesignated § 302-7.9

Group would like to see the numbers changed to: "shall not exceed 60 days" and "up to an additional 90 days" to "shall not exceed 90 days" and "up to an additional 60 days"

Group requests that the example state 30 days in place of 60 days. Since we can authorized in 30 day increments, this will prevent future questions.

Group agrees. Would like to see stronger wording in 302-7.401: replace "selected method should be stated" to "selected method *MUST* be stated"

48. Add Appendix A to part 302-

7

Group agrees, however this seems out of place in Part 302-7. Would like to see it moved to 302-4.

52. Amend § 302-9.301

Group agrees, however, what is the method for determining the value of the POV? Is it based on Blue book, tax assessment for area, agency discretion, or what?

) (JJ3- 3tJ y- /1

56. Amend newly designated § 302-9.505

Group agrees, however, what is the method for determining the value of the POV? Is it based on Blue book, tax assessment for area, agency discretion, or what?

57. Amend newly designated § 302-9.506

Group agrees, however, what is the method for determining the value of the POV? Is it based on Blue book, tax assessment for area, agency discretion, or what?



..Williams. Wanda T.
Staffing and
Classification 5, 1, 5109"
<Wanda.Williams@nav
y.mil>

01/24/200503:40 PM

To: ftrcase.2003-309@gsa.gov
cc:
Subject: FTR Case 2003-309

Good Afternoon,

The attach comments are provided on behalf of the Department of the Navy.

«Comments To Proposed FTR Changes Relocation.doc»

Wanda T. Williams

Travel & Overseas Allowances Program Manager/Navy CAP Member

Department Of The Navy-OCHR

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D

DoD Travel Regulations: www.dtic.mil/perdiem Comments To Proposed FTR Changes Relocatio



24 January 2005

MEMORANDUM FOR:

General Services Administration, Regulatory
Secretariat (V)

Subj: FTR Case 2003-309

1. The attached comments are submitted on behalf of the Department of Navy *in* regards to the proposed changes to the Federal Travel Regulation presented in the subject case.

f)1aAJj(). j iU-b ~

WANDA T. WILLIAMS

Department of the Navy

Civilian Advisory Panel Member/

Per Diem, Travel and

Transportation Allowance Committee

Rec'd
1/24/05



Navy objects to proposed changes where they affect assignments to, between or from outside the continental United States

(OCONUS) locations. The underlying premise of the proposed changes is that in private industry, the "focus is on getting the transferee settled at the new location as fast as possible in permanent quarters." Navy experience has been this is often not the case with OCONUS related moves where the position has often been gapped for several months and the new command needs work done right away while the new employee is looking for housing etc. Reassignments involving OCONUS are simply different, more difficult, and take longer than assignments within continental United States (CONUS). Employees relocating within CONUS maybe authorized house hunting trips prior to reporting to the new duty station, which may reduce the time required to located permanent quarters. However, house hunting trips are not authorized for relocations involving OCONUS moves.

Section 302-2.8 should remain two years for relocations involving OCONUS transfers, with corresponding changes to section 302-2.10, 302-2.11 and 302.110.

§ 302-2.8 When must I complete all aspects my relocation?

You and your immediate family member(s) must complete all aspects of your relocation within one year (two years where the employee is being relocated to, from or between OCONUS locations) from the effective date of your transfer or appointment, except as provided in §302-2.9 or §302-2.10.

§ 302-2.10 Does the I-year time period in §302-2.8 include time that I cannot travel and/or transport my household effects due to shipping restrictions to or from my post of duty OCONUS?

No, the I-year time period in §302-2.8 does not include time that you cannot travel and/or transport your household effects due to shipping restriction to or from your post of duty OCONUS. Comment: Delete the I-year reference and refer to §302-2.8.

§ 302-2.11 May the I-year (two years where the employee is being relocated to, from or between OCONUS) time limitation for completing all aspects of a relocation be extended? Yes, the 1year time limitation for completing all aspects of relocation may be extended by your Agency for up to 1 additional year, but only if you have received an extension under §302-11.22.

§ 302-2.110 Are there time factors that we must consider for allowing an employee to complete all aspects of relocation?



Yes, you should encourage employees to begin travel as soon as possible after authorization of travel is approved and inform employees that they must complete all aspects of relocation within a I-year (two years where the employee is being relocated to or from OCONUS) period from his/her effective date of transfer or appointment, unless the employee's I-year (two years where the employee is being relocated to, from or between OCONUS) period is extended to include:

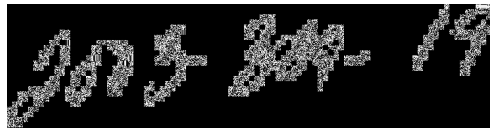
Redesignated Section 302-7.9 (currently section 302-7.8) reduces temporary storage for HHG shipments by 30 days. This is especially unwarranted where the move is to an OCONUS location finding and settling in quarters is more difficult and simply takes longer OCONUS. The change to the amendment would restore the 30 days where OCONUS is involved. A corresponding change is needed for redesignated section 302-7.10 (currently section 3027.9)

§ 302-7.8 302-7.9 Is there a time limit for the temporary storage of an authorized HHG shipment? (a) The initial period of temporary storage at Government expense shall not exceed 90 60 days in connection with any authorized HHG shipment. The HHG may be placed in temporary storage at origin, in transit, at destination, or any combination thereof. However, upon your written request, an additional 90 days may be authorized by the designated agency official. In no case may the maximum time limit for temporary storage exceed 180 150 days. When the relocation is to, from or between an OCONUS location(s) an additional 30 days is allowed on each of these time limits.

§ 302-7.9 302-7.10 What are some reasons that would justify the additional storage beyond the initial 90-day 60-day limit (90 day limit for relocations involving OCONUS)? Reasons for justifying temporary storage beyond the initial 90-day 60-day limit (90 day limit for relocations involving OCONUS) include, but are not limited to: (a) An intervening temporary duty or long-term training assignment;

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Management



January 24, 2005

General Services Administration
Regulatory Secretariat (V)
1800 F Street, NW., Room 4035
A TIN: Laurie Duarte,
Washington, DC 20405

Re: FTR case 2003-309

Gelco Information Network GSD, Inc. ("Gelco") respectfully submits the following comments to FTR Case No. 203-309.

1. The background of the Proposed Rule does not indicate that GSA has conducted any cost analysis of the impact of the regulatory changes. This is disturbing because the regulatory changes require agencies to implement new systems in a relatively short time period.
2. The background of the Proposed Rule praises the practices of private industry without acknowledging that this may not be a fair comparison. Private industry has far fewer regulations concerning the relocation process. The Proposed Rule does not change the relocation process to make it similar to the IRS-driven private industry practice; instead it makes a number of changes but does not, overall, reduce regulatory complexity. Gelco notes that the Proposed Rule would affect a change in sections 302-2.8, 302-2.9, 302-2.10, 302-2.11, and 302-2.110 from two years to one. But this change is not consistent with IRS capital gains treatment for the sale of a home. Furthermore, the reduction in time may not be fair to people moving from an area with a depressed economy (such as through closing of a substantial federal installation); this change will have a negative morale impact as opposed to the stated desire to have a positive one. The proposed change in section 302-4.300 to simplify mileage rates lacks any explanation of expected morale impact; the present regulation provides differential rates depending upon the number of people in the vehicle. The proposed new regulation, particularly in conjunction with the change in 302-9.505 which prevents reimbursement for shipping of older vehicles, means that employees will be encouraged to drive more vehicles, rather than fewer during a relocation, with net mileage reimbursements increasing along with duration of trip (as a single driver cannot drive as far in one day as multiple drivers can) along with gasoline consumption and associated pollution. Has GSA made any attempt to quantify the cost savings associated with the single, lower mileage rate in comparison with the
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- 4.



- likelihood that more vehicles will be driven and more overnight accommodations will be used during a move?
5. Proposed section 302-9.505, which prohibits reimbursement of transportation of a privately owned vehicle if the cost of transportation of the vehicle will be higher than the value of the vehicle, has high potential negative impact on the employee. The proposed regulation provides far too little guidance as to how value should be determined, which can be particularly problematic for a well-maintained, low-mileage older vehicle. Furthermore, the change has a disproportionate impact upon the lowest-paid federal employees, who may be relying upon older but well-maintained vehicles and unable to purchase an equivalently reliable used vehicle upon arrival at their new station. While GSA certainly should prevent federal employees from transporting junker vehicles at government expense, the proposed regulation goes overboard in redressing that problem.
 6. Is the Federal Relocation Management Program intended to be the equivalent of a new e-Government program?
 7. How does an agency determine whether a Relocation Management Reporting System meets the requirements?
 8. Has GSA determined that there are multiple eligible Relocation Management Reporting Systems available, or is this regulation essentially mandating that all agencies utilize a sole source?
 9. Is GSA mandating an integration with eTravel? If so, will eTravel vendors be required to integrate with all Relocation Management Reporting Systems much as they are required to integrate with Travel Management Systems? Who will bear the costs of such integrations?
 10. Is the proposed regulation in section 302-2.200(a)(3) and (b) intended to require agencies to use a payment system other than the travel payment system and third party payment system they have in place?
 11. Why does proposed section 302-2.200 not include any requirement for a system providing payment to the traveler?
 12. Section 302-2.205's title mentions "the Federal relocation management program." Is GSA suggesting that it has already selected a vendor and a provider and that agencies do not themselves choose appropriate means to meet the revised regulations?
 13. In section 302-2.205(a), is the "authorized representative" a federal employee, or is it GSA's intention that this "authorized representative" can be a contractor? If so, can the contractor be affiliated with a company that provides relocation management software or services? If the answer is "yes," how does GSA expect the agency to avoid an organizational conflict of interest?
 14. In proposed section 302-2.205(a), why is the same representative expected to administer both the relocation program and the eTravel service? Does this duplicate or conflict with regulations already in place with regard to the eTravel service? Considering that a Relocation Management Reporting System must be implemented no later than September 30, 2005 (a date which seems unrealistic and designed to
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- discourage any companies from developing software to meet this new regulatory need), why is this System not better defined?
16. Proposed section 302-2.400 fails to explain how an agency is to determine that a reporting system meets the regulatory requirements. Has GSA already selected a sole source vendor? If so, why?
 17. Proposed section 302-6.204 is misleading in that it suggests that a voucher is not required; some document equivalent to a voucher must be filed in order to initiate the payment.
 18. Proposed section 302.6.306 is ambiguous; it does not identify reasonable restrictions to prevent employees from filing for lump sum TQSE payments substantially prior to the occupancy of temporary quarters or to prevent agencies from delaying making the lump sum TQSE payments until so short a time before the occupancy of temporary quarters as to require the employee to spend substantial out of pocket amounts for deposits, rent in advance, and other costs. It would be appropriate to include in the regulations a window of time for the application and the payment.
 19. Gelco believes that the September 30, 2005 implementation date for a Relocation Management Reporting System is not reasonable. The proposed rule mandates an implementation date less than nine months from the earliest possible date for the issuance of the Final Rule. This effectively prohibits agencies from engaging in a full and open competition to select a Relocation Management Reporting System; by the time the agency could complete the RFP and evaluation, there would be little or no time left to implement the system. Moreover, it strongly discourages any new competitors from entering the field of competition as all federal agencies will have selected their system before a new competitor could even develop a system to offer. Gelco believes a September 30, 2006 date (assuming Final Rulemaking by March 30, 2005) would better enable agencies to engage in a competitive selection of their Relocation Management Reporting System and would be less likely to discourage new entries into the field of Relocation Management Reporting Systems.

Respectfully submitted,

Paula Kerry Goldman
VP, General Counsel
Gelco Information Network GSD, Inc.



..Harrison. Joe"
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To: ftrcase.2003-309@gsa.gov
cc:
Subject: FTR Case 2003-309 Comments

01/24/2005 04:25 PM

Attached please find the American Moving and Storage Association's comments in FTR Case 2003-309. If you have any questions you can contact me by email or via telephone at 703-683-7418.

«GSA FTR case 22003-309 AMSA Comments.doc»

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GSA FTR case 22003-309 AMSA Comment~



BEFORE THE GENERAL SERVICES
ADMINISTRATION

FTR CASE 2003-309 FEDERAL
TRAVEL REGULATION;
RELOCATION ALLOWANCES

COMMENTS OF AMERICAN MOVING AND
STORAGE ASSOCIATION

The American Moving and Storage Association, Inc. (AM SA) files these comments in response to the General Services Administration FTR Case 2003-309, *Federal Register* Notice dated November 23, 2004, 69 Fed. Reg., 68111 (2004) through which GSA proposes revised regulations governing its federal travel regulation and relocation allowances.

AMSA is the national trade association of the moving and storage industry. It has approximately 3,500 members worldwide and represents the entire spectrum of the domestic moving and storage industry. Its membership includes national van lines, independent regulated carriers, agents of van lines, most of whom are also regulated carriers in their own right, and international movers. AMSA members operate in every city, town borough and hamlet in the United States performing interstate, intrastate and local moving and storage services as required by consumer, industry and government customers. AMSA members also provide international moving services worldwide.

AMSA members transport nearly 100% of all interstate,

intrastate and
international

household goods shipments on behalf of civilian government employees and military service members. AMSA members are actively involved in GSA's CHAMP Program, the FSS Schedule 48 and other transportation and storage procurement arrangements of individual federal government agencies.

As explained in these comments, AMSA, on behalf of its members, has a vital interest in those proposed rules that will affect their transportation and storage operations and their dealings with federal agencies and relocating civilian government employees..

Since most of the rule changes involve non-household goods transportation-related issues such as house hunting trip expenses, subsistence expenses, reporting and payment issues, etc., AM SA's interest in this proceeding is limited to two issues, namely the maximum weight allowance per shipment and temporary storage of household goods shipments provisions.

~302-7.2 Maximum Weiaht of Household Goods

The RBPC proposes that §302-7.2 be amended to read as follows:

"§302-7.2 What is the maximum weight of HHG that may be transported or stored at Government expense?

By statute, the maximum weight allowance of HHG that may be shipped or stored at Government expense is 18,000 pounds net weight. The HHG net weight is determined by subtracting 10 percent from the shipment net weight as shown on the shipping documents to reflect the weight of packing materials. "

AMSA supports the intent of the above change. We believe, however, that it is necessary for GSA to clarify that the determination of a shipment's net weight is solely for the purpose of calculating the maximum weight allowance and not for any other purpose (e.g. calculating the total cost of transporting a household goods shipment). Household goods carriers have always assessed their charges based on total (gross) shipment weight, which



includes the weight of packing and crating materials. To ensure that the proposed intent of this section is not misinterpreted to encompass long-standing carrier assessment of charges practices, AMSA suggests that §302-7.2 be amended as follows:

"By statute, the maximum weight allowance of household goods that may be shipped or stored at Government expense is 18,000 pounds net weight of unpacked or uncreated household goods. On shipments weighing more than 18,000 pounds, the maximum net weight allowance will be determined by subtracting 10% from the total shipment weight as shown on the shipping documents to reflect the weight of packing materials. "

AMSA data indicates that the average weight of commercial and government household goods shipments has increased significantly over the past ten years. Therefore, the proposed change, as clarified, will be beneficial to civilian government employees in view of the increased weight profile of these shipments. Also, the Department of Defense currently uses the same calculation in determining its household goods shipment weight allowance.

~302-7.4 Weight of Books, Papers, Etc.

AMSA supports the proposed provision; however, in keeping with the clarification suggested in §302-7.2, we suggest that the two references to 18,000 pounds net household goods weight in §302-7.4 be amended to read "18,000 pound net weight allowance": Proposed §302-7.4(a) would therefore read as follows:

"(a) Yes, the weight of any PBP&E and VAB (see subpart 0 of this part) is generally part of and not in addition to the 18,000 pounds net weight allowance. However, if the weight of any PBP&E causes the lot to exceed 18,000 pounds net weight allowance, the excess weight of the PBP&E may be transported to the new duty station as an administrative expense of the agency. To the extent possible for ease of administration, the PBP&E items should be included as part of the HHG shipment. Only in the case of an overweight shipment should a separate administrative expense be charged to the agency, and only for the overweight portion



of the shipment Authorization for such shipment is granted solely at the discretion of the agency and subject to its policies governing such shipment (See definition of PBP&E in §300 3.1 of this subtitle.)

§302-7.9 Time Limit For Temporary Storage

This section proposes to reduce the initial temporary storage time period from 90 to 60 days and the maximum temporary storage time period from 180 to 150 days. AMSA is concerned that this change could result in economic hardships for those civilian government employees who, because of circumstances beyond their control, require more than 60 initial days of temporary storage or the maximum 150 days of temporary storage.

The current 90 day initial temporary storage time period with the opportunity to request additional time up to 180 days have been the standard periods for temporary storage followed by GSA and the Department of Defense for many years. In the commercial market (consumers and national account), without exception, a 90 day period is the standard for temporary storage (storage-in-transit (SIT)). This uniformity is extremely important in order to clearly define and delineate carrier liability for loss or damage, whether incurred during the interstate transportation phase of shipment, which includes SIT, or whether incurred in permanent storage after the expiration of SIT when warehouseman liability for loss or damage governs. In addition to the economic hardships associated with the cost of additional storage to be borne by civilian government employees, they will also bear the cost of warehouseman's insurance to protect their goods. Of even more importance is the fact that the liability standards for these goods will vary considerably since warehousemen do not generally offer full value protection liability coverage that is standard with household goods carriers and is required by GSA (CHAMP Procurement Program) and other federal agencies. Also, the civilian government employee cannot rely on the federal government and its relocation claim and liability-related regulations when dealing with a warehouseman on shipment damage after the shipment has converted to permanent storage on the 61st day of storage.



As noted, 000 continues to authorize 90 days SIT with a maximum of 180 days storage, and many national account shippers also allow up to 90 days SIT storage and more, as needed. Based on statistics published by the Employee Relocation Council, the majority of commercial organizations that bear the expense of relocating their employees (over 90%) cover the cost of SIT storage. Obviously, the norm is 90 days and, if approved, the GSA proposed 60 day period will become the exception to the rule. Of course, we acknowledge that GSA can determine what they deem is the appropriate number of authorized storage days; however, based on widely followed commercial and 000 practices, the drastic change in carrier liability and the flexibility afforded civilian government employees by the current entitlement (90 days; 180 days), AMSA believes that, in those instances when civilian government employees require temporary storage beyond 60 days, it will be unduly burdensome to require them to bear additional expenses and deal with the liability change (cost and coverage) offered by carriers as opposed to that offered by warehousemen.

Paragraph (b) of proposed §302-7.9 requires that the number of temporary storage days coincide with the number of days authorized for TOSE. AMSA is somewhat perplexed by this requirement since the two entitlements are not always linked. There are instances when temporary storage is necessary and TaSE is not, and vice versa. While the two entitlements sometimes work in tandem, there are many instances when the two separate entitlements have no relationship, depending upon the unique relocation requirements of the civilian government employee. Given this, AMSA believes that there is no logical basis to mandate that the number of storage days coincide with TOSE.



In conclusion, AMSA requests that the total weight allowance provisions be clarified as suggested. In addition, we submit that no compelling reason exists to reduce the number of temporary storage days from the current time limit or to link the temporary storage allowance with the number of days authorized for TOSE.

Respectfully submitted,

AMERICAN MOVING AND STORAGE ASSOCIATION, INC.



Joe Harrison President
1611 Duke Street
Alexandria, VA 22315

Dated and filed January 24, 2005

2003-309-21

FAX

Subject: FTR Case 2003 - 309 Propsed Change to 41 CPR 302 Relocation

Comments submitted by:

**Lesley E. Oden
2 Etiglish Hins Drive
Fredericksburg, VA 22406**



Subject: FTR Case 2003-309

General Comment: The proposed change to the Federal Travel regulation is couched as recommendations from leading industry and agency travel management personnel even though it has taken almost three years to surface from the management review process in GSA and OMB. Is this really the management process and intent of the current administration? The proposal ignores the major issues Federal travel managers have had with this chapter of the FTR for several years. The proposed regulation contains so many errors and "watered down" provisions, a well versed travel manager would assume control and proper program management were no longer necessary for Government relocations. The hidden change in rates and misstatements seems to characterize the underhanded process used to make regulatory changes in the travel program. Without a very close reading of the regulation a reviewer would miss the rate reduction for actual TQSE for all days over 30. This rate has been constant for many years. This is a major change and was so easily left out of the background, if not intentionally hidden.

Managers cannot effectively manage a program where the regulation is written in a permissive manner. There needs to be a Government-wide regulation that applies to all employees. Without a definitive type regulation agencies cannot enforce cost savings initiatives, avoid abuse and waste, or have meaningful negotiations with labor organizations. The GSBCA has held that an agency may not make internal rules that are more stringent than the provisions of the FTR, this is extremely important in the TQSE area where the employee may remain in his/her old residence and be reimbursed for all the family's subsistence cost without incurring even the usual cost of living. Expenses like this are not part of the relocation and to allow them is waste and abuse of the taxpayer.

Background:

Lump Sum Payments - The statement that private industry provides a lump sum payment for relocation expenses except real estate is questionable since larger companies have agreements with transportation service providers to provide household goods moving services at reduced rates and with a direct billing to the company; thereby, avoiding a claim from the employee. Also, commercial transportation, air and rental car, is usually procured using a corporate credit card with direct billing to the company. When these payment practices are considered, the lump sum payment does not offer the benefits depicted in the proposed regulation.

Vouchering Expenses: The statement indicating that an employee has up to four years after the move to voucher expense items is an example of a misunderstanding of the reality of the statutory provisions covering the rights of an employee. An employee may file a claim for an authorized expense **incurred** anytime so long as the claim is received by the agency responsible for payment or an agency with settlement authority within six years from the date the expense was incurred (See 31 U.S.C. 3702 and GSBCA 16372-RELO, April 7, 2004). In reality a Government employee could take 10 years (minus 1 day) to claim selected allowances for a permanent change of station. This is possible by obtaining the 2 year extension (4 years to incur the expense) and up to 6 years to file the



claim. This is not counting the period from the date the travel authorization is signed until the actual effective date of the transfer - date of reporting to the new duty station.

Proposed Changes: Comments keyed to section cited prior to the comment.

302-3.1 - Accompanied baggage includes both baggage that is transported free and

baggage for which an additional payment is required. Therefore, the term accompanied baggage includes excess baggage. Baggage that does not accompany the employee is unaccompanied. Excess baggage may not be approved prior to the travel since an employee may be required to carry government equipment and incur an excess baggage charge for this equipment. To require a separate pre approval process for all excess baggage shipments would be an administrative burden and disruptive to efficient management of the travel program.

302-2.9 - Reducing the time limit to 1 year is not reasonable. During a time of quick real estate sales it may work in some cases; however, if the real estate market is not robust, the time period is totally inadequate. Many families cannot relocate until the end of a school year or other event causing a delay in selling the real estate. Requiring a special approval to ensure coverage at the end of one year is counterproductive. Rather than have a 1 year extendable by one year it would be more beneficial to have a 2 year period without an extension.

302-10 - See comment above.

302-11 - See comment above.

302-12 - Disclosure statements are not necessary. This is an added burden to the process that will not increase the efficiency or management of the relocation process. Information on allowances should be gathered at the time an employee's travel authorization is being prepared. Requiring a disclosure statement provides no useful benefit to the agency. Where would it be kept if it were provided?

302-20 - Need to identify the authority that an agency has to require disclosure and restrict immediate family members from accepting payments from a third party. Agencies should be sure not to duplicate payments from the Government; however, the employee should not be held responsible for ensuring a third party does not receive duplicate payments. What is the statutory provision that allows this requirement? This will be another piece of manual paper being created at a time when all the emphasis is on going electronic. How will this be handled by the eTravel relocation module?

302-21 - See comment above.

302-2.200 - These are not systems and at best they could be considered modules of a financial system. They really represent procedures and tools for processing and managing a relocation program. GSA has never defined the data to be collected and reported [or the biennial Travel Survey; therefore, I do not believe it is possible to have a



process (system) to collect this data. If agencies are expected to comply with a reporting requirement, GSA and OMB needs to identify what is to be reported and publish this requirement. Additionally, if the reporting requirement is levied upon the agency it should not occur be during a time frame when financial statements are being prepared and the reports should be put to a meaningful use and not just fill a file cabinet or provide additional work to be contracted out and never used.

302-2.205 - The authority for the Administrator of GSA to direct other agency heads to develop and implement systems should be explained. OMB has constantly directed agencies to decrease the number of sub systems and new systems being developed through its authority to manage systems. This direction from GSA to develop and implement a system would lead the public to believe that the GSA has management oversight and authority over other cabinet level agencies.

302-2.300 - As previously stated these are not systems.

302-2.405 - Until the data to be reported is identified, it will remain impossible for an agency to have a reporting process that is effective. The process of going to the files and reviewing hard copies of vouchers that were paid two years ago is a meaningless task and waste of valuable resources. This will remain true with or without an exemption process.

302-3.304 - Time allowed for an extension should not exceed 1 year. Real estate expenses are not covered in these cases and any delay in excess of one year should void the entitlement.

302-4.300 - Using a reference to an IRS publication instead of a rate will make settlement of future claims burdensome and lead to inaccurate payments. The rate payable should be included in the FTR and not just a reference to a rate in some other agencies publication.

302-5.14 - This should be limited to a simple statement that the agency will pay for the transportation by the authorized mode. Establishment of a distance limit is not productive and does no more than increase the administrative paperwork and burden on the agency. The agency should authorize the most beneficial mode when considering the needs of the agency and the employee. In some cases an employee could drive 400 miles to the new duty location; however, to use commercial transportation takes two days. If the rate to be paid is going to be referenced, it should be stated at the reference point (302-4.300 of this chapter). In this case the rate is not stated at the reference point.

302-5.103 - This statement should be deleted entirely. It does not provide any beneficial guidance.

302-6.100 - This section should state that the maximum allowable amount is based on the standard CONUS per diem rate. The reduction in the amount paid for days 31 - 120 was not identified in the summary of changes or explained here. It appears that this was a way to "slip" the change in without anyone knowing. The reduction will cause major

problems for single employees and employees who relocate to a high cost area. These employees have a difficult time now and this will only exacerbate the problem.

302-6.305 - This is just added administrative burden that is supposed to be eliminated by using the lump sum payment process. The agency should ensure temporary quarters are necessary before authorizing the payment. Adding more statements only fill up the file folder. The question and answer do not match. The question is whether the employee **incurred TQSE** and the answer states that **TQSE will be required**. One statement can be signed only after travel the other can be signed before travel.

The requirement to collect all monies advances indicates that this is not a payment, just an advance. All travel advances must be settled by filing a claim or providing a refund. If it is an advance the advantages of using a lump sum payment process is lost. If it is a payment, the debt collection process must be used to collect the erroneous payment; thus, the employee would have an opportunity to request a waiver. In the instances where a waiver is requested, the administrative savings on ten or twelve lump sum payments are lost. Best if the agency ensures that TQSE is required before payment is made and this provision deleted.

302-7.9 (a) - This change is not necessary. This is an attempt to solve a non existing problem. A review of 2,204 household shipments for employees of 7 agencies revealed that 927 required storage (42.6%) with an average storage period of 47 days. The remaining 1277 moves did not require storage. The allowance of 180 days maximum is needed to meet the needs of those employees that go to training en route to the new duty station, on extended TDY during a relocation, or transferred to a location where there are not adequate living facilities available for immediate occupancy. Occupancy of Government owned quarters may be required, but due to circumstances beyond the employee's control the household goods cannot be delivered. Recommend this not be changed. Having an allowance available and not used is not costly. Making a change and requiring an approval process to cover the required instances when the extended period is needed is costly.

302-7.9 (b) - The period of temporary storage has no relationship to the period of TQSE and the reference should be completely removed. When an employee transfers and performs training en route or is placed on temporary duty after arrival at the new duty station his/her TQSE stops during these periods of duty away from the new duty station. Under the proposed concept an employee would be responsible for paying the storage for the days his/her household goods were in storage while he/she is in training or while performing temporary duty. If this change does anything it increases the requirement for TQSE because an employee that could arrange to stay with friends or relatives to avoid TQSE would now require TQSE to avoid paying for storage of the household goods.

Appendix A to part 302-7 - A constructive cost example using the rules and terminology applicable to temporary duty travel is only confusing but inaccurate when you are referring to a relocation. If an example is going to be used as an Appendix it



should at least have the reimbursable items that are proper for relocation and it should be calculated properly. If there is uncertainty on how to calculate the items to create the example, the appendix should be left out.

302-9.505(e) - If this requirement is placed in the regulation, a standard for deterring value should be prescribed.

302-11.2(c) - This paragraph is unnecessary and should not be included unless all the allowances have a similar paragraph added. Any reimbursement made for a relocation that does not meet the 50 mile rule measured from the old residence is taxable income. This also applies to reimbursements for household goods shipments.

This part of the regulation should be fixed to eliminate the reference to distance from old to new duty location. Currently an employee working in Washington, DC and living in Shepherdstown, WV and commuting 68 miles one way could get reassigned to Harpers Ferry, WV with full relocation allowances (new commute only 10 miles). The allowances are payable because the old and new duty stations are more than 50 miles apart. This is one of hundreds of examples that are available.



"Dixon, Paul"

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vers.com>

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With regard to FTR case 2003-309, the second paragraph, third page is misleading. The paragraph reads:

"Much of private industry uses lump sum relocation payments for all relocation expenses except real estate expenses."

This is not necessarily accurate, unless of course you are including the relocation of household goods in with the real estate expenses. In virtually every case of which I am aware, the relocation of household goods is paid by tariff rate pricing, not lump sum. This holds true in private industry as well as government relocation programs. There are, of course, exceptions to this norm, however these are generally seen in agencies which lack a relocation program, have no one person trained in relocation practices and relocate an employee very infrequently. These types of exceptions do not have home sale programs, house hunting allowances, miscellaneous expense allowances or any other component of acceptable relocation policy.

The bottom line is this: lump sum payments are common, acceptable methods for reimbursement of many relocation related expenses. However, the household goods move is not one of them.

Regards

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01/24/2005 05:21 PM

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Subject: FW: GSA Proposed Changes to Relocation FTR Case 2003-309

Ms. Duarte,

My agency has reviewed proposed FTR changes related to government relocation policy, as outlined and discussed in the Federal Register, Volume 69, Number 225, dated Tuesday, November 23, 2004. Thank you for giving us the opportunity to review and provide comments on these proposed changes.

Attached to this email please find our comments on the proposed changes, contained in the Microsoft Word document entitled "FTR Proposed Changes". For convenience, we have also attached a complete listing of the proposed FTR changes upon which we commented, contained in the Adobe document entitled "FedRegNoticeReFTRchange20041123". Any questions may be directed to Kevin Lanagan at 410-965-0544.

Ronald T. Sayers
Deputy Associate Commissioner
Office of Financial Policy and Operations
Social Security Administration

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FTR Proposed Changes.de FedRegNoticeReFTRchange20041123.



*Social Security Administration Responses to Proposed Changes to
Relocation FTR As Presented in 11/23/2004 Federal Register*

1. Time limitation to "complete" relocation (Part 302-2.8 through 302-2.11)

Current policy: Transferees have up to two years from the date they report for duty at the new duty station to incur (not necessarily *claim*) relocation expenses. They can request an extension of that two-year time limitation for up to two additional years.

Proposed policy: Transferees will have up to one year from the date they report for duty at the new duty station to incur (not necessarily *claim*) relocation expenses. They can request an extension of that one-year time limitation for up to one additional year ("one plus one").

Comment: In the past, the time period that federal employees had to incur relocation expenses was lengthened in order to allow for the fact that unfavorable real estate markets made it difficult for transferees to sell their homes in a limited timeframe. We recognize that as real estate markets have improved nationwide, transferees have a better chance to transact real estate sales within a shorter period of time, which is what this recommended policy would encourage. However, we are concerned that a transferee may be forced to rush into the sale or purchase of a residence when doing so may not be appropriate for their circumstances, resulting in a financial hardship.

We recommend that the proposed policy be supplemented to that in special circumstances authorizing officials have the discretion of granting a transferee two years from the date they report for duty to incur expenses, along with the possibility that the transferee could request one additional year ("two plus one").

2. Disclosure statement (Part 302-2.20)

Current policy: None.

Proposed policy: Transferees will have to sign a statement stating that they, nor their immediate family members, nor any third-party vendor have accepted duplicate reimbursement for relocation expenses. In other words, the employee will have to certify that none of the relocation benefits provided/paid by the agency will also be paid to a spouse (i.e., by the spouse's employer) or other entity.

Comment: We believe this recommended change is a reasonable safeguard against duplicate payments, and would only require one additional document for the transferee to sign at the outset of their move.



3. ReJocation Program Management/Relocation Payment Svstems/Relocation Management Reporting Systems (Parts 302-200 & 302-205, 302-2.300 & 302-3.305, 302-2.400 & 302-2.405)

Current policy: None.

Proposed policy: Agencies must administer e- Travel systems and other automated systems that incorporate relocation authorizations and claims, reservations and ticketing support, relocation service provider and transferee payment, and relocation management data reporting.

Comment: We agree e- TraveJ systems will help the government improve the management and oversight of relocation programs. The General Services Administration, as the caretaker of e- Travel initiatives, should take the leading role in determining the best way for agencies to implement this important step, and how third-party companies should provide these services. Finally, we strongly recommend that GSA establish a standardized relocation report format for all Federal agencies. This will assist agencies in configuring their data systems to efficiently respond to data requests, as well as simplify GSA's efforts in gathering and analyzing the data..

4. En route travel mileage allomlllce rates (Part 302-4.300)

Current policy: All relocation travel performed by pav (chiefly en route travel) is reimbursed based on the number of people traveling in that pay. An employee traveling alone, or a family member traveling alone is reimbursed at 15~ per mile; an employee + one family member, or two family members traveling together is reimbursed at 17~ per mile; an employee + two family members, or three family members traveling together is reimbursed at 19~ per mile; an employee + three or more family members, or four or more family members traveling together is reimbursed at 20~ per mile.

Proposed policy: All relocation travel performed by pav will be reimbursed NTE the mileage allowance established by IRS Publication 521 for the calendar year in which that travel occurs. For instance, the current (calendar year 2004) IRS mileage allowance is 14~ per mile.

Comment: We support any change that simplifies the process. However, we propose that the rate set be supported by actual reimbursement studies rather than by past practice (e.g., the 14~ rate has been used in the past, but may not adequately reimburse the transferee). GSA might consider making the pav mileage rate consistent with the rate already set for temporary duty travel when a Government provided car is available, currently \$.27. This rate is designed to reimburse the traveler for all variable costs associated with use of a vehicle and is obtained after researching current experience in maintaining and operating vehicles, including the impact of rising gas prices.



5. Reduce maximum # of days for HI-IT/add minimum distance criteria for travel by air (Part 302-5.14)

Current policy: Transferees and/or spouses authorized for a HHT can take that trip for up to ten consecutive days at agency expense and without having to use annual leave. The mode of travel for that HHT can be by POV or common carrier (air, rail, bus), if the agency determines that mode is "advantageous to the Government." The mode of travel should typically be that which will provide minimum time traveling and maximum time at the new location.

Proposed policy: Transferees/spouses will only be allowed up to a maximum of 8 days for a HHT. If the distance from the old to the new duty station is 250 miles or less, HHT travel must be performed by POV; common carrier transportation (typically by air) will not be allowed. The mileage reimbursement rates for HHT will be the same as for en route travel (as detailed in the preceding item). HHT travel of more than 250 miles must be performed by common carrier (typically by air).

Comment: We believe these changes simplify the process and encourage transferees to be properly focused on the purpose of the HHT: to find a suitable new home as quickly as possible. It may also encourage even more transferees to opt for the fixed-amount per diem, which has been shown by previous federal task forces to be beneficial to transferees and agencies. However, it is possible that there may be situations in which HHT travel of more than 250 miles might be less costly if completed by POV, and HHT travel of less than 250 miles might be less costly by common carrier.

In addition, we are concerned that GSA does not address an even more pressing HHT issue: that "traditional" HHT per diem (up to 8 days) should not be based on the TDY per diem rate for the area-as the fixed-rate per diem is-but should instead be based on the CONUS per diem rate. The traditional temporary quarters payment is based upon the CONUS rate; so should the traditional HHT payment. We believe establishing the traditional HHT payment in this way would go far in encouraging transferees to consider the fixed-amount HHT option, which is beneficial for transferees and agencies.

6. Rcdue the maxhuum daHv limitation for actual-expense TO for additional 30day periods (Part 302-6.100)

Current policy: When transferees opt for the actual expense ("traditional") method of TQ reimbursement for any periods beyond the first 30 days, their reimbursement is limited to: 75% of the CONUS rate for them (or an unaccompanied spouse); 50% of the CONUS rate for an accompanied spouse and/or family members age 12 or older; 40% of the CONUS rate for family members under age 12.

Proposed policy: When transferees opt for the actual expense ("traditional") method of TQ reimbursement for any periods beyond the first 30 days, their reimbursement would

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be limited to: 55% of the CONUS rate for them (or an unaccompanied spouse); 40% of the CONUS rate for an accompanied spouse and/or family members age 12 or older; 30% of the CONUS rate for family members under age 12.

Comment: This change should encourage transferees to find permanent housing as quickly as possible, realizing that their maximum allowable TQ would be more significantly reduced for any periods beyond the initial 30 days. It would likely also encourage even more transferees to choose the lump-sum TQ option.

7. No requirement to submit a voucher for lump-sum TQ (Part 302-6.204)

Current policy: SSA transferees wishing to claim lump-sum payment for TQ expenses must prepare and submit an SF-I012 Travel Voucher to claim that payment.

Proposed policy: The proposed FTR 302-6.204 states: "Am I required to file a voucher for TQSE if I selected the lump sum payment? No, the intent of the lump sum payment is to simplify the process and eliminate the need for filing a voucher, however, your agency may request proof that you actually occupied temporary quarters and in the absence of sufficient proof, demand repayment of the TQSE lump sum payment in accordance with 302-6.305".

Comments: We assume that the intent of this proposed change is to save the transferee from having to submit a complex "traditional" (actual expense) TQ claim, an intent that we support. We recommend, however, that GSA refine the wording to make it clear that some type of tangible document—paper or electronic—be submitted to claim the lump sum TQ payment.

8. Occupancy certification for lump-sum TQ claim (Part 302-6.305)

Current policy: If a transferee opts to claim their TQ using the lump-sum (fixed-amount) method, it is necessary only that TQ be specifically authorized on the travel order, and that they submit an SF -1012 Travel Voucher using the lump-sum computation method to arrive at the total claimed. We do not require receipts or any other type of documentation conclusively proving that they actually *occupied* (or *intended* to occupy) TQ, or how many days they actually occupied (or intended to occupy) TQ.

Proposed policy: Transferee will have to sign a statement certifying that they will "occupy temporary quarters and incur TQSE expenses" when they submit their lump-sum TQ claim. If that transferee does *not*, then, ultimately occupy TQ and incur TQ expenses, they must return the lump-sum TQ payment to the Agency. Agencies are also specifically directed to not authorize lump-sum TQ payment for transferees "who do not need temporary quarters."

Comment: This is a reasonable step to be added to TQ procedure. It will be welcomed by many of SSA's regional relocation coordinators, who thought that a "no-questions-asked" lump-sum TQ payment policy was ripe for abuse by some employees. The only



drawback to this policy--and it is a minor one--is that it requires one more piece of paper to be developed and that the transferee would have to sign to be made part of their permanent TOB file.

9. Lump-sum TO payment must be made prior to occupancy of TO (Part 302-6.306)

Current policy: Currently SSA transferees only need to have generic "temporary quarters" specifically authorized on his/her travel order to be able to claim either method of TQ reimbursement (actual expense or lump-sum); the actual method of payment does not have to be specified at the time the order is issued. Further, the transferee makes the decision as to which method he/she wishes to claim at any point during their relocation; it can be prior to reporting to the new location (which, frankly, the agency would prefer) or after the transferee has begun to occupy TQ at the new location for some number of days.

Proposed policy: All agencies must pay a transferee who wishes to claim the lump-sum TQ method *prior to the transferee occupying TQ.*

Comments: This change provides consistency in the administration of an agency's lump sum TQ policy. While it would place a slightly higher responsibility on the transferee (to decide in advance of travel which method of TQ payment would be most appropriate for them), that risk/reward factor has always been present in the lump-sum TQ payment method.

10. New method for determine 18,000 pound maximum HHG weight (Part 302-7.2)

Current policy: The weight of a transferee's HHG is determined by having the carrier weigh the truck empty, then weigh the truck after the HHG have been loaded; the difference in those weights is the "net weight" of the HHG, on which transportation charges are based. If the difference (net HHG weight) is in excess of 18,000 pounds, the agency pays for charges based on the 18,000 pound maximum allowance and the transferee pays the balance (charges based on the weight in excess of 18,000 pounds) out-of-pocket directly to the carrier.

Proposed policy: Subtracting the empty truck weight from the loaded truck rate as described above will provide the shipment net weight. The chargeable net weight upon which the transportation charges will be based--will be determined by "subtracting 10 percent from the shipment net weight as shown on the shipping documents to reflect the weight of shipping materials."

Comments: We support this change. It is a benefit to the transferee, while adding little to the agencies' administration of HHG transportation.

11. The number of days of IIRG storage must coincide with the number of days of NJ Part 302-7.9(b)



Current policy: Currently, there is no agreement required between the number of days a transferee is authorized for TQ and the number of days authorized for storage of that transferee's HHG. A transferee can potentially be authorized for fixed-rate TQ or 30, 60, 90, or 120 days of actual TQ and have their storage authorized for any number of days.

Proposed policy: The proposed FTR 302-7.9(b) states: "The number of days authorized for HHG storage must coincide with the number of days authorized for TQSE. For example, if TQSE is authorized for 60 days, storage of HHG must be equal to the number of days authorized for TQSE plus a reasonable number of days for delivery from the storage location."

Comment: We believe this change helps bring consistency to the relocation authorization process, lining up what agencies authorize for TQ with what they authorize for HHG storage. This should help transferees to be more aware that these benefits are related, and that the time periods claimed for these benefits should be similar.

12. Appendix A to Part 302-7 -How to Create a Constructive Cost

Current policy: While the FTR and SSA's AIMS states that the mode of transportation to be authorized for HHT should allow minimum time en route (to-and-from) and maximum time at the new duty station looking for a permanent residence, it provides no concrete mileage requirements or basis on which to limit reimbursement if a transferee chooses a "non-advantageous" mode of transportation.

Proposed policy: This Appendix is intended as a specific example supporting the proposed change in policy regarding mode of travel for a house-hunting trip; that a house-hunting trip of less than 250 miles *must* be performed by POV and a house-hunting trip of more than 250 miles *must* be performed by common carrier. The example shows an Agency what to consider and on what to base limited reimbursement when a transferee relocating more than 250 miles (the example cites a Washington, DC-to-Dallas move) voluntarily chooses to travel via POV instead of the specified common carrier mode of travel.

Comment: We assume that a misprint in the Federal Register resulted in this being proposed as a change to FTR 302-7, when it actually applies to Part 302-5. Part 302-7 governs "Transportation and Temporary Storage of Household Goods and Professional Books, Papers and Equipment." This proposed change relates to house-hunting (HHT) expenses as governed by FTR 302-5. We support this additional guidance on GSA's part for administering "either/or" methods of travel or reimbursement.

2003-309-24



..Ralph A Bucksell"
<BucksellR@gao.gov>

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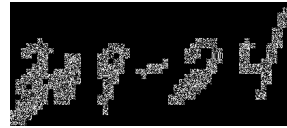
To: ftrcase.2003-309@gsa.gov
cc: "Ralph A Bucksell" <BucksellR@GAO.GOV>
Subject: FTR Case 2003-309

My comments on FTR Case 2003-309.

Ralph A. Bucksell
202-512-4216
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Subject: FTR Case 2003 - 309 Proposed Changes to 41 CFR 302 Relocation

Comments by:

Ralph Bucksell
Bucksell@gao.gov

The proposed changes to the regulations state that they are intended to keep Government relocation practices in line with current relocation trends and allow for better management of the Government relocation programs and costs. While it is important for government to adopt private sector practices that can improve the relocation experience for the employee and decrease program costs, it is important to recognize that government relocations are quite different from private sector relocations.

Most private sector's relocation policies cover a limited number of specific types of relocation situations, to a limited number of permanent duty locations, for a limited type of employee (mainly upper management). Government relocation policies cover a wide range of relocation situations, to an unlimited number of permanent duty locations for a wide range of employees. Therefore, government relocation regulations must provide government agencies the flexibility they need to manage relocation situations that most private sector companies never experience.

While I found the majority of the proposed regulation helpful, some need further clarification and a few take away the flexibility agencies ability to deal with unusual circumstances that occasionally arise. I suggest that the way to deal with these areas is not by "over controlling" these areas with these regulation changes of not allowing agencies options that we need, but by requiring the agencies to establish specific written policies that give them better management of their programs. Agencies with specific policies and good management of their programs do not have problems with controlling their relocation budgets. -We should not be denied the flexibility to manage our programs.

FTR Section	Comment
300-3.1	Excess baggage must occasionally be post authorized when travelers bring additional work papers or change carriers who have different weight and size limitations. The regulations should not indicate that they must only be re-authorized.
302-6.100	The reference to the "maximum daily amount" is misleading as it implies a per diem rate for the specific locality. In reality, for actual (vs. "lump sum") TQSE, it is the standard CONUS rate for travelers in the CONUS. Therefore, the regulation should state that it is the standard CONUS rate for domestic relocations.
302-2.200 a (3)	Currently, most PLP hotels will not accept the standard CONUS rate. This presents a major problem for single employees or for families in which the

2003-309-24

employee relocates and enters temporary quarters alone. Will GSA provide lodging locations that will accept the government relocation per diem allowance?

302-9 Limiting agencies to a one-year extension provides no flexibility when
302-8 unusual circumstances arise. The FTR should either keep the current two
302-10 years and allow a one year extension or allow agencies to approve a one-
302-11 year extension for any reason, and then allow the agency to allow a second
302-110 one-year extension for unusual circumstances or hardship. If GSA wants to
"place a control" on agencies, it can require that the unusual circumstances
or hardship be documented.

Limiting relocations to a two-year limit because of accounting issues is the tail wagging the dog. Most agencies have one-year appropriations, therefore, the funds are "lost" after that initial year. Most employees submit their vouchers immediately. It is a rare for an employee not to have their claims processed within the first two year. When they have had extensions, it has involved unusual circumstances.

By the way, employees have six years to submit their vouchers to claim relocation benefits after the incurrence of an expense.

302-2.300 Individual agencies have established their own system of how relocation expenses are to be paid. As written, this section states that agencies must have four specific methods of payments. Agencies should be allowed the flexibility to determine what methods they will use to pay for relocation expenses. GSA can suggest that one of the methods offered can be used but should not be dictatin a enc olicies.

302-2-300 (b) GSA must not require agencies to charge lodging expenses on a centrally billed account (CBA). Agencies have been allowed to determine what expenses they will charge to a CBA. GSA should not be imposing an unnecessary mandate that cost a significant amount of work to manage and oversee. For agencies that do not charge these types of expenses to the CBA. this olic will create a ma.or burden that will cost us dearl . GSA should not require agencies to issue travelers checks for relocation. This is an a enc determination.

302-4.300 The language implies that if the employee is authorized to drive two vehicles to the new duty station, that both vehicles would get the IRS rate. Can this be clearly stated?

302-5.14 (a) 302-5.103 (a) These sections contradict one another. 302-5.103 should read the same as 302-5.14 (i.e., stating "generally" which then allows the agency to make the determination of which mode should be authorized). The exception cited in 303-13 docs not a)1 to most relocations 302-5.14.

302-6.100 This section discusses the applicable per diem rate. It should clearly state that this rate is the standard CONUS rate. Also, the change of the ercenta es for actualloed in was not discussed in the a er and ma

302-7.9(a) make it difficult for the relocating employees to a their lod in bills. We have rarely authorized 180 days of TS. However, it is possible that we might need to. I do not believe it is necessary for GSA to make this determination. Again an unnecessary restriction that results in denying the agencies the ability to deal with special situations.

302-7.9 (b) The two allowances should not be tied together. This is an unnecessary restriction and provides the relocating employee and agencies no flexibility. Employees who are building a residence, employees whose families remain at their old duty station, but sell residences are severely harmed by this proposed change. The proposed change could result in higher costs as employees will want to stay in TQSE longer than necessary to get TS.

302-7.400 (g) This is an unnecessary notation and almost impossible to verify unless you are moving large numbers of employees overseas. It should be removed.

Appendix A to Part 302-7 302-9subpart F, 302-9.50 I, 302-9.504,302-9.505, & 302-506 In addition to the constructive travel example provided, an actual travel example for the same trip needs to be provided. While this is a value for shipment of vehicles overseas, employees relocating to a domestic location may have a good POY whose blue book value is less than the cost of transporting the vehicle. The car may be able to last for years for local transportation at the new duty station. Agencies should be encouraged to talk with employees about the value of transporting a POY whose value is less than the cost of transporting the vehicle. This regulation would require an employee to buy a new or another used vehicle, when the vehicle that he/she has may be capable of giving years of service to the employee at the new duty station. Again, an unnecessary restriction.

302-9.302 & 302-9.501 Agencies should be setting their own policies on how many vehicles to ship, depending on family size and needs. A single employee should not expect an agency to ship two vehicles. However, as written a single employee has the same right to ship two vehicles as a large family with a spouse and several teenage drivers. A more reasonable policy is to limit the number of vehicles to the number of drivers not to exceed a specific number. These determinations should be written by the agencies, not GSA.

302-11.21 and 11.22 See comments above regarding 302-9, 302-8, 302-10, 302-11, and 302-110. Agencies need to have the flexibility to provide exceptions for their employees.



January 24, 2005

General Services
Administration Regulatory
Secretariat (V) 1800 F Street,
NW
Room 4035
Attn: Laurie Duarte
Washington, DC 20405

Subj: Comments on FTR Case 2003-309
Via E-mail: ftrcase.2003-309@gsa.gov

Dear Ms. Duarte:

I am writing to you today with regard to incorporating private sector practices into the Federal Travel Regulation.

Global corporations in the private sector have recognized the value of providing assistance to spouses and families of employees when they are required to relocate. In recent years this has increasingly included spouse employment assistance. .

Background: In 1977, few corporations had formal, written relocation policies.¹ Among those who did the three original forms of assistance provided to employees were. shipment of household goods, living and travel expenses, and real estate reimbursement.

By 2000, 87% of corporations had formal, written relocation policies.² Assistance had expanded beyond the three original forms to include spouse employment, school information, community information, childcare resources, and elder care referrals.

More recently, spouse employment assistance in the private sector has increased dramatically. In 1998, 12% of corporations provided spouse employment services to their relocating employees.³ By 2004 this figure had risen to 39%.⁴

Today 78% of married corporate transferees are partners in dual careers.⁵ 57% of all assignment refusals are due to spouse careers.⁶ Employees who relocate leave the company at more than three times the rate of employees who don't. ⁷

¹ "Elements of Corporate Relocation Assistance", The Conference Board, 1977

² "Survey of Corporate Relocation Policies", Atlas V an Lines, 2000

³ Atlas, 1998

4 Atlas, 2004

5 "Family Issues Survey", Employee Relocation Council, 2003

6 Atlas, 2003

7 Transition Management Institute. 20Q1

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Our nation's economy created more than two million jobs during 2004. If that trend continues into the future the federal government and the military services in particular will face increasing competition from the private sector to retain valuable employees.

Benefits of Spouse Employment Assistance: Corporations in the private sector provide spouse employment services for relocating employees in order to increase retention, reduce recruiting and training costs, reduce lost workdays during relocation, and increase productivity through influencing employee attitudes towards the organization.

Recommendation: Incorporate a private sector practice into the Federal Travel Regulation by including a provision for Federal agencies to acquire spouse employment assistance for their relocating families. This assistance is needed most urgently by military spouses who are required to relocate more frequently than private sector spouses.⁸

IMP ACT Group is the leading private firm in the spouse and family transition industry. We have served more than one hundred twenty five Fortune 500 corporations; in doing so we have pioneered the area of spouse employment services.

For additional information please contact Brian Stewart at 314-392-0679 or BStewart@impactgroupHR.com.

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President and Chief Executive
Officer IMPACT Group



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703.481.1049

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FTR case 2003-309

COMMENTS:

- 1) 302-2.8 et al: Changing the requirement from two years to one will put pressure on employees to perform major financial transactions in a short time frame. The costs savings for the government may be small or nonexistent as it may force employees into using higher cost relocation services rather than traditional methods. Additionally, it may have an impact on employee morale. The "drain on Federal accounting systems" may still exist, because even with a one year period the money may be obligated on one fiscal year (FY) for a move the next FY, and paid out in the original FY, the effective date FY, and the following FY (one year from effective date).
- 2) 302-4.300: Reducing the mileage reimbursement rate to match the IRS deductible rate has a generally small savings effect for the government (pennies per mile) but will have a larger relative effect on the employee. In addition, it eliminates the recognition of the additional cost of transporting passengers.
- 3) 302-6 Subpart C: There may well be only a small advantage in administrative efficiency attributable to lump-sum payments. There is still a requirement to generate and obtain a "statement that [the transferee] will occupy temporary quarters", a requirement to initiate and disburse a payment, and there is -still the post-payment requirement to audit this expense because "If no TQSE expenses are incurred, all monies advanced... must be returned... ."
- 4) 302-11.2: This clarification to the existing requirement is beneficial.
- 5) 302-2.200,302-2.205: The use of the word "The" in reference to Federal relocation management program(s) is confusing. This implies that there is one (1) Federal relocation management program when in reality each agency will have one.
- 6) 302-2.200,302-2.205: Payments to third parties are well referenced in these sections, but reimbursements to the employee are not. Since in most instances these payments will be processed from the same system it seems appropriate to mention them both.
- 7) 302-2.205: The regulatory requirement that the same person be designated as the program administrator for the eTravel system and the relocation management program seems inappropriate. While the relocation program makes some use of the services provided under eTravel, relocation is largely occupied with the appropriate entitlements, tax allowances, withholding, employment (SSN/Medicare) taxes, deductibility, and other tax issues. The administration of each program has its own challenges and the agency should have the discretion to determine if it is appropriate for this to be under the same person or not. Are there other implications to this proposal that need enumeration?
- 8) 302-2.205: The specific data elements required for a Relocation Management Reporting System are not enumerated.
- 9) 302-9.505: The evaluation of the "value" of an employee's POV has several downsides for the government. Putting the government into the position of determining the value of a vehicle has the potential for increasing the employee's costs for the move, and/or increasing the employee's costs for the new vehicle. It is the new delivery station (for purchasing a new reliable

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POV), impacting the employee's morale, and will increase the administrative burden on the government. The value of a reliable car does not always show up in the "blue book".

- 10) Question: The expected cost savings for these regulatory changes has not been specified. There is clearly a significant cost associated with the changes, particularly given the short time frame specified in the proposal. Has GSA performed a cost-benefit analysis (Is this cost effective)?
- 11) General: Does the proposed rule change anticipate the establishment of the relocation equivalent of the eTravel system (i.e. eRe location)?
 - 12) Question: Has GSA certified any existing systems as a certified Relocation Management Reporting System? What are the specific criteria? How does one apply for such a certification?

Agency: GENERAL SERVICES ADMINISTRATION
Title: Federal Travel Regulation; Relocation Allowances
Subject Category: Federal travel: Relocation allowance
Docket ID : 3090-AH91
CFR Citation: 41 CFR 300-3, ETC.
Published: November 23,2004
Comments Due: January 24, 2005
Phase: PROPOSED RULES

2003-309-27

Your comment has been sent. To verify that this agency has received your comment, please contact the agency directly. If you wish to retain a copy of your comment, print out a copy of this document for you

Please note your REGULATIONS.GOV number.

Regulations.gov #: EREG - 4 Submitted Jan 24,2005

Author: Mr. Scott Newman
Organization:
Mailing Address:
Attached Files: 04-25890-31482-ATT-1.pdf

Comment: Please see attached pdf file



FTR case 2003-309

COMMENTS:

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- 10) Question: The expected cost savings for these regulatory changes has not been specified. There is clearly a significant cost associated with the changes, particularly given the short time frame specified in the proposal. Has GSA performed a cost-benefit analysis (Is this cost effective)?
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 - 12) Question: Has GSA certified any existing systems as a certified Relocation Management Reporting System? What are the specific criteria? How does one apply for such a certification?

2003-309-37



**"Young Janice M
(Travel)"
<Janice.M.Young@IRS
.GOV>**

01/31/2005 08:58 AM

To: "ftrcase.2003-309@gsa.gov" <ftrcase.2003-309@gsa.gov>
cc: "Angel.Ray@do.treas.gov" <Angel.Ray@do.treas.gov>
Subject: GSA Proposed Rule Change

Sorry, we are late in submitting our comments for proposed rule changes-Relocation Allowances.

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GSAMemoproposedrule.dc



MEMORANDUM FOR ED DAVIS, PROGRAM ANALYST (TEAM LEADER)
OFFICE OF GOVERNMENTWIDE POLICY TRAVEL
MANAGEMENT POLICY DIVISION GENERAL
SERVICES ADMINISTRATION

FROM: Kathleen S. Miller
Associate Chief Financial Officer for
Internal Financial Management

SUBJECT: Federal Travel Regulation Case 2003-309, Proposed Rule
Changes - Relocation Allowances

Thank you for the opportunity to review the proposed accounting policy changes for Federal Travel Regulation (FTR), Relocation Allowances. Our comments to the proposed rule changes are as follows:

FTR, Section 302-4.300, proposes that the privately owned vehicle (POV) mileage reimbursement not exceed that established by the IRS for moving expense deductions.

Our concern is that IRS Publication 521, Moving Expenses, states that if you use your POV as transportation to your new home, you can figure your expenses by deducting either your actual expenses, such as gas and oil for your car, if you keep accurate records, or you may claim the standard mileage rate (e.g., 14 cents a mile for calendar year 2004). We recommend that General Services Administration (GSA) clarify whether the transferee is entitled to either the standard mileage rate or actual expenses. This would be a change to the current practice which limits the transference to the standard mileage rate.

FTR, Section 302-6.305, proposes that transferees electing the lump sum Temporary Quarters Subsistence Expenses (TQSE) reimbursement option must sign a statement that they will occupy temporary quarters. If the transferee does not occupy temporary quarters, the monies for temporary quarters must be returned.

We recommend that GSA clarify what happens if the temporary quarters become the transferee's permanent residence. The FTR should clarify whether the temporary quarters lump sum payment needs to be repaid if the quarters become permanent. In these instances, the FTR should also require that supporting



documentation must be provided indicating the quarters were intended initially to be only temporary.

FTR, Section 302-11.2, regarding allowances for expenses incurred in connection with residence transactions, refers transferring employees to IRS Publication 521, Moving Expenses.

IRS Publication 521, Moving Expenses states that you can only deduct your moving expenses if you meet all three of the following requirements: 1) your move is closely related to the start of work, 2) you meet the distance test, and, 3) you meet the time test. Please clarify whether all three of the requirements listed above apply to this FTR Section.

FTR, Section 302-11.200, proposes that residence transactions be reimbursed provided that they are customarily paid by the seller at the old official station or by the purchaser of residence at the new official station.

In the sale and purchase of real estate, the customary charges may vary from location to location. We recommend that the FTR include a requirement for employees to submit a statement of customary charges from the lending institution for all locations.

If you have any questions, please contact me at 202.435.5499, or have a member of your staff contact Angela Cook, Director, Policies and Procedures, at 202.435.5509.

cc: Angel Ray, Department of the Treasury



Roger.Burris@bpd.trea
s.gov

02/01/2005 10:19 AM

To: ftrcase.2003-309@gsa.gov
cc:
Subject: FTR case 2003-309

We apologize for missing the due date of 24 January for comments, but we were unable to submit due to illness in the office. If you are still willing to take comments, I have attached a few questions/comments regarding the change.

Thanks

Roger Burris
ARC Travel Division Bureau
of the Public Debt
Department of the Treasury

D

Federal Travel Regulation - Proposed Change Commel



Federal Travel Regulation (FTR): Relocation Allowances

Proposed Rule Comments

Paragraph 302-2.20 What is a disclosure statement?

This paragraph requires the employee to certify in writing that the employee, his/her immediate family, or any 3rd party vendor have not and will not accept duplicate reimbursement for relocation expenses. How can an employee certify a vendor will not accept duplicate expenses, particularly when a service provider other than the employee contracts the 3rd party services? The employee has no control over a private 3rd party vendor.

Paragraph 302-6.201 How do I determine the amount of my lump sum payment?

Subparagraph (a) does not define what percent the employee is authorized, 100%, 75% or other rate not mentioned? Is this for the employee or the unaccompanied spouse in current paragraph 302-6.1 OO?

Paragraph 302-6.305 Must we require the transferees to sign a statement that TQSE was incurred?

Can the statement be placed on an SF Form 1012, and the employee's signature on the form meet the certification requirement?

Paragraph 302-7.9 Is there a time limit for the temporary storage of an authorized HHG shipment?

Subparagraph (a) allows an initial period not to exceed 60 days, with a 90 day extension allowable, not to exceed 150 days maximum storage. Subparagraph (b) indicates, "The number of days authorized for HHG Storage must coincide with the number of days authorized by TQSE." Request clarification: If 30 days of Fixed TQSE (or 30 days only of actual TQSE) is requested by the employee (or agency only allows 30 days actual TQSE) is only 30 days of storage authorized, plus a reasonable delivery from storage, not to exceed the 14 days (as noted in the paragraph) or a maximum of 44 days, with the 45th day being employee expense?

Paragraph 302-7.302 What is the maximum weight for VAB shipment

The weight allowances are larger than the Department of State Standardized Regulations (DSSR) allowances. The State Department historically set this allowance for OCONUS moves. Does the FTR over-ride the DSSR allowances?



June 30, 2005

Laurieann Duarte
General Services Administration
Regulatory Secretariat (V) 1800
F Street, NW., Room 4041
Washington, DC 20405

Dear Ms. Duarte:

Please accept the following public comment on the General Service Administration's (GSA's) proposed rule titled "Federal Travel Regulation; Relocation Allowances." The FTR case number is 2003-309.

The Governmentwide Relocation Advisory Board (GRAB, also referred to as the Board) supports the concept in GSA's proposed rule (Federal Register, Vol. 69, No 225, November 23, Sec. 302-2.205(c)) to require agencies to "Implement a Relocation Management Reporting System." However, the Board believes that until the relevant recommendations of the GRAB Report are delivered and evaluated by GSA, the process of acquiring such reporting systems should not proceed.

In our report later this year, we will make numerous recommendations concerning the general administration and management of the relocation program and specific recommendations on systems and data. These recommendations will include the development of strategic and implementation plans, use of cost management software, and the identification of data elements and systems interfaces. We will also make a recommendation on creating a formal consultation mechanism to work in partnership directly with agencies as well as with Governmentwide interests, such as the Chief Financial Officers Council and the Chief Human Capital Officers Council to help carry out these and other recommendations.

The implementation of a reporting system will be a significant undertaking for any agency and is expected to require a level of effort substantially greater than the eTravel implementation. The eTravel implementation was undertaken only after a great deal of strategic and operational planning took place. A comparable and necessary level of planning has not yet been initiated to implement a relocation reporting system. As a result, we strongly believe it would be counterproductive, costly, and unfair to agencies for GSA to impose a new reporting system at this time. We therefore respectfully request that consideration be given to immediately communicate to agencies the withdrawal of the requirement to implement a reporting system until GSA has had a chance to fully evaluate the Board's recommendations.

To also confirm, we are not asking that agencies cease any initiatives being undertaken independently of the GSA requirement to implement a new reporting system. However, agencies should be made aware of the potential impact of the GRAB recommendations on ongoing systems initiatives. The intent of this letter is to recommend that the requirement to implement a reporting system be withdrawn as the driver for an agency's actions and that GSA should immediately communicate to agencies the withdrawal of the requirement.

By order of the Board

Sincerely,

/s/ May Caffi

May Caffi GRAB
Co-Chair

CC: Rebecca Koses
Becky Rhodes
GRAB Members
Ed Davis



DEPARTMENT OF VETERANS AFFAIRS
DEPUTY ASSISTANT SECRETARY FOR FINANCE
WASHINGTON DC 20420

2003-309-31

MAR 1 2005

Ms. Laurie Duarte
Regulatory Secretariat
General Services Administration
1800 F Street, NW, Room 4035
Washington, DC 20405

Dear Ms. Duarte:

In response to FTR Case 2003-309, the Department of Veterans Affairs is submitting the enclosed response. If there are any questions, please contact Ed Robbins, Director, Cost and Debt Management Service on (202) 273-5568.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed J. Murray".

Edward J. Murray

Enclosure

2003-309-31

**Department of Veterans Affairs
Proposed Rule Changes
Subject: FTR Case 2003-309**

General Comments: The Department of Veterans Affairs is in agreement with the majority of the proposed rule changes. However, we have comments on the following proposed changes:

Proposed Rule Change to 302-5.14 - What transportation expenses will my agency pay?

VA Comments - Cost comparisons should be utilized to determine the most advantageous method of en route travel. However, setting a mileage limit should not be a factor in determining the method of travel. Limiting the reimbursement to the POV mileage rate for trips of 250 miles or less could place an undue burden on travelers, especially those who do not own a vehicle.

Proposed Rule Change to 302-9.301 - Under what conditions may my agency authorize transportation of my POV within CONUS?

VA Comments – The agency should have the final authority in determining shipment of a POV and should take into consideration the needs of the agency and the employee. Additionally, declining the shipment of a POV, or requiring families to drive, can put an undue burden on the employee and employee's family.