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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-107407
FPC-96-2-38

JUN 3 1980

A.

The Honorable Abraham Ribicoff
Chairman, Committee on Governmental
Affairs
United States Senate

SENDO 6600

Dear Mr. Chairman:

We would like to urge your favorable consideration of S. 2563, a bill to limit certain entitlements and allowances received by Federal employees in United States areas outside the conterminous 48 States.

Section 3 of the bill essentially adopts the recommendations in our enclosed 1977 report about free vacation travel that agencies are required to give certain employees and their families overseas. Returning these employees from their overseas locations to their former homes every 2 or 3 years is no longer a useful incentive to recruit or retain trained personnel. Most of these areas are no longer isolated or arduous, and employees have made them their permanent homes. The areas also have a ready supply of talented people, and the free trips are largely viewed as unearned perquisites by local communities and other employees who do not qualify because they were recruited locally--particularly when many employees use the benefit for touring rather than returning to their former homes. Moreover, non-Federal employers generally do not provide similar benefits. Limiting free travel as contemplated by S. 2563 would remedy these inequities and save Federal funds. At the same time, agencies would still have the flexibility to offer the benefit when actually necessary, for instance, to recruit employees to serve at hardship stations.

Other sections of the bill would similarly limit other entitlements for these employees, such as shipment of household goods and personal vehicles, additional compensation due to conditions of environment, and accumulations of

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annual leave beyond usual limits. We did not address these specific entitlements in our report, but it seems reasonable that they be subjected to the same limitations placed on vacation travel.

Sincerely yours,

Signed Elmer B. Staats

Comptroller General
of the United States

Enclosure