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**DECISION**



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

**FILE:** B-195953

**DATE:** June 5, 1980

**MATTER OF:** Joel T. Halop

**DIGEST:** Claim by civilian employee of the Navy for reimbursement of an insurance charge incurred incident to movement of household goods from China Lake, California, to Honolulu, Hawaii, is denied because the declaration of excess valuation and resulting insurance charge was a voluntary act on the part of the employee and not required by nor authorized to be paid by the Government. See paragraph 2-8.4e(3) of the Federal Travel Regulation; and B-183053, March 12, 1975.

Mr. Joel T. Halop appeals the Claims Division's denial of his claim for ~~\$368.44~~ for insurance on his household goods being transported incident to his permanent change of station from China Lake, California, to Honolulu, Hawaii. For the following reasons, we affirm the denial of the claim.

In March of 1978, Mr. Halop, a civilian employee of the Navy, was selected for transfer from China Lake, California, to Honolulu, Hawaii. Incident to this transfer, he was authorized to ship his household goods at Government expense. Because of the immediate need for the claimant to report to his new duty station and the inability of the Navy to arrange for shipment of his goods under a Government Bill of Lading (GBL), the claimant was authorized to arrange for the shipment of his goods and be reimbursed by the Navy.

Mr. Halop contracted with Lyon Household Shipping, Inc., for the transportation of his household goods. He has received reimbursement of the total cost except for \$368.44 which he paid for insurance due to his declaring a valuation of his goods in excess of the minimum amount included at no additional cost in the carrier's rates.

In initially denying the claim, the Claims Division correctly pointed out to Mr. Halop that there exists no statute nor regulation which authorizes payment by the Government for insurance costs resulting from an employee's declaring a valuation of his goods in excess of the minimum valuation amount included in the

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B-195953

carrier's rate. In seeking this reconsideration, Mr. Halop states he should be reimbursed because the Navy must reimburse him for all entitlements accruing to a transferred employee, and because the insurance was a standard item which the carrier placed on all shipments to Hawaii, whether under a Government or commercial bill of lading.

A transferred employee's entitlement to shipment of his household goods is governed by the provisions of 5 U.S.C. § 5724 and the implementing regulations contained in chapter 2, part 8 of the Federal Travel Regulations (FTR), FPMR 101-7 (May 1973).

Paragraph 2-8.4 of the FTR provides that costs for transportation of household goods to points outside the conterminous 48 States--in this case, Hawaii--are allowable only on an actual expense basis. Paragraph 2-8.4c(1) provides in relevant part that:

"[a]ctual expense includes costs of transportation of household goods, packing and crating \* \* \* unpacking, and other necessary accessorial charges within applicable limits."

Additionally, paragraph 2-8.4d(2) provides that generally shipments should be made on Government bills of lading "whenever possible" but adds that when such is not possible the employee shall be reimbursed his expenses "actually and necessarily incurred within the limitations prescribed by these regulations." (Emphasis added.)

Thus, Mr. Halop's entitlement is governed by the limitations in the FTR. Under paragraph 2-8.4e(3) of the FTR, an employee may declare a valuation above the carrier's minimum, but he must bear the additional insurance costs for the higher valuation. See Bruce R. Bowman and Kenneth I. Daugherty, B-183053, March 12, 1975.

Regarding Mr. Halop's contention that the insurance was a standard item on all shipments such as his, the record does not support this allegation. Specifically, the record contains a copy of the commercial bill of lading signed by the claimant which states on the top:

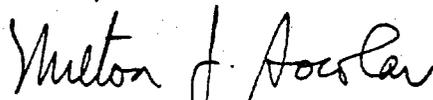
"GOODS HEREIN DESCRIBED \* \* \* ARE TO BE FORWARDED BY THE LYON HOUSEHOLD SHIPPING, INC. AT A DECLARED

B-195953

VALUE OF 60 CENTS (60¢) PER POUND PER ARTICLE ON DOMESTIC SHIPMENTS AND 30 CENTS (30¢) PER POUND PER ARTICLE ON INTERNATIONAL SHIPMENTS (UNLESS OTHERWISE DECLARED HEREON) \* \* \*."

Also, the bill of lading indicates that additional insurance was taken so that the goods were insured at a rate of \$2.25 a pound at a cost of \$368.44. Mr. Halop signed this bill of lading on April 4, 1978, prior to the shipment of the goods. Thus, the shipment of his goods could have been made at the minimum valuation. Therefore, no basis exists to reimburse him for the insurance costs for his excess valuation. B-178683, June 11, 1973. It is only in situations where some law or regulation applicable to the shipment requires additional insurance that the Government will bear the added expense. See generally Donald S. Weaver, B-181991, April 8, 1975.

Accordingly, the denial of the claim is sustained.



For the Comptroller General  
of the United States