



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

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Released

B-189659

FEB 13 1976

The Honorable Charles McC. Mathias, Jr.
United States Senator
Weber Building, Suite 212
9420 Annapolis Road
Lanham, Maryland 20801

Dear Senator Mathias:

We refer to your letter of December 7, 1977, forwarding for our consideration a letter, with enclosures, received by your office from [REDACTED] concerning his claim for reimbursement of real estate expenses incurred incident to a transfer of his official duty station.

The information submitted by [REDACTED] shows that he was transferred by the Federal Highway Administration from Atlanta, Georgia, to Baltimore, Maryland, effective August 31, 1975. Although he apparently lowered the asking price several times, [REDACTED] had difficulty selling his house in Atlanta. In March, 1976, he requested and received a 1-year extension of the initial 1-year settlement date limitation for reimbursement of real estate expenses. By that action the time limitation was extended to September 1, 1977. In June 1977, [REDACTED] requested another extension to September 1, 1978, and was informed by a memorandum from the Regional Federal Highway Administrator that the regulations did not permit an additional time extension. By a letter dated August 10, 1977, B-189659, we informed [REDACTED] that the regulations permitted only one extension of the time limitation.

Paragraph 2-6.1e of the Federal Travel Regulations (FTR), FPMR 101-7 (May 1973), establishes the applicable time limitation with regard to real estate transactions. Promulgated under the statutory authority of 5 U.S.C. 35724a(a)(4) (1970), that paragraph provides in pertinent part as follows:

*** To the extent allowable under this provision, the Government shall reimburse an employee for expenses required to be paid by him in connection with the sale of one residence at his old official station
***; Provided, That:

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B-189659

"e. Time limitation. The settlement dates for the sale and purchase of lease termination transactions for which reimbursement is requested are not later than 1 (initial) year after the date on which the employee reported for duty at the new official station. Upon an employee's written request this time limit for completion of the sale and purchase or lease termination transaction may be extended by the head of the agency or his designee for an additional period of time, not to exceed 1 year, regardless of the reasons therefore so long as it is determined that the particular residence transaction is reasonably related to the transfer of official station."

In his letter to you, [REDACTED] states that he was able to find a buyer for his Atlanta house and that he bought a house in Baltimore. Although settlement on both houses occurred after the expiration of the 2-year period, [REDACTED] argues that he substantially met this limit since he executed a sales contract on the Atlanta residence on August 7, 1977, 23 days before the 2 years expired and executed a sales contract on the Maryland residence on August 16, 1977, 14 days before the 2 years expired.

It is a fundamental principle that public money may not be spent other than as authorized by law. Paragraph 2-6.1e requires specifically that the settlement date fall within 2 years from the date of the employee's transfer in order for the employee to be entitled to reimbursement for real estate expenses. We have consistently regarded the word "settlement" as referring to the closing of a real estate transaction by the payment of the contract price consideration, the transfer or conveyance of title by deed or otherwise and the execution of such documents as create or evidence the liens secured by the real estate conveyed. Issued pursuant to 5 U.S.C. 5724a(a)(4) paragraph 2-6.1e of the FTR has the force and effect of law and may not be waived in any particular case. Absent compliance with this provision, there is no authority under which [REDACTED] may be reimbursed.

B-189659

The FTRs are promulgated by the General Services Administration (GSA) and, as a result, any change in the 2-year limitation would require the action of the Administrator, GSA, and would be prospective only.

We regret that our response could not be more favorable to your constituent. The enclosures to your letter are returned as requested.

Sincerely yours,

R.F.KELLER

Deputy Comptroller General
of the United States

Enclosures