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**DECISION**



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

FILE: B-192420

DATE: August 27, 1979

MATTER OF: Jack T. Brawner-Real Estate Expenses and  
New residence construction

- DIGEST: 1. Employee who elected to have new residence constructed at new duty station incident to transfer may not be reimbursed amounts claimed for blueprints and plot plans, certificate of elevation, and building permit and development fees since those items of expense are not comparable to expenses incurred in purchase of existing residence under FTR, para. 2-6.2d.
2. Excess trash removal fee of \$10 charged for hauling away trash associated with employee's move to new residence is not reimbursable as a miscellaneous expense. Miscellaneous expenses of \$61.50 disallowed as in excess of the maximum prescribed by FTR, para. 2-3.3b may not be reimbursed as "legal expenses" in the absence of employee's statement indicating the particular item(s) for which he claims reimbursement as other than miscellaneous expenses.

The question presented is the propriety of reimbursement of certain real estate expenses when a transferred employee elects to have a residence constructed at his new official station. In general, expenses peculiar to, and specifically related to the construction process are not allowable.

The question was presented by Ms. Kathryn M. Toney, Authorized Certifying Officer, Department of Commerce, National Oceanic and Atmospheric Administration (NOAA) concerning reimbursement of previously disallowed real estate expenses claimed by Mr. Jack T. Brawner, a NOAA employee, incident to his change of station from Washington, D.C., to St. Petersburg, Florida, in March 1977.

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Mr. Brawner elected to construct a new residence at Madeira Beach, Florida, incident to his transfer to St. Petersburg. He received reimbursement for his real estate expenses, but such

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reimbursement was administratively limited to those items of expense which were comparable to expenses that are reimbursable in connection with the purchase of an existing residence, and excluded expenses resulting from construction. This administrative denial was based upon paragraph 2-6.2d of the Federal Travel Regulations (FTR) (FPMR 101-7) (May 1973).

The costs of the disallowed items which the employee contends should be allowed incident to the construction of his new residence are:

(1) Blueprints and Plot Plans	- \$175.00
(2) Certificate of Elevation	- 50.00
(3) Excessive Trash Pick-up	- 10.00
(4) Building Permit	- 294.50
(5) Development Fee	- 250.00
(6) Miscellaneous Expenses	- 61.35

The matter is submitted for our decision.

Statutory authority for reimbursement of real estate expenses incurred by a transferred employee in the purchase of a home at his new station is found at 5 U.S.C. 5724a(a)(4) (1976). Regulations implementing that authority, are contained in FTR para. 2-6.2d which provides that "In cases involving construction of a residence, reimbursement of expenses would include those items of expense which are comparable to expenses that are reimbursable in connection with the purchase of existing residences and will not include expenses which result from construction."

Item (1)--The 9 sets of blueprints and plot plans were required by the City of Madeira in connection with the issuance of a building permit for the construction of Mr. Brawner's new residence. Mr. Brawner claims reimbursement for the cost of blueprints and plans under FTR para. 2-6.2c which provides for the cost of "preparing drawings or plats when required for legal or financing purposes." That paragraph of the regulations authorizes reimbursement only for the cost of preparing an illustration of the

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property and improvements thereon showing relationship to surrounding properties. See B-164926, September 30, 1968, B-164491, November 15, 1968, and B-170057, August 11, 1970. Since the drawings and plans for which Mr. Brawner claims reimbursement were required for the issuance of a building permit, a requirement imposed in connection with the construction of a new building and not for the purchase of an existing dwelling, the cost must be disallowed.

Item (2)--Mr. Brawner states he was required to secure the certification of elevation as a requisite to obtaining flood insurance, which in turn was a requisite to securing financing on the construction of his new home located on waterfront property. We have been advised by a Department of Housing and Urban Development representative that while flood insurance may be required to secure financing on waterfront property, the certificate of elevation requirement is applicable to new residences and not to subsequent sale of the property. For this reason, the expense for the certificate of elevation is not comparable to a reimbursable expense in connection with the purchase of an existing residence as contemplated by FTR para. 2-6.2d and may not be reimbursed.

Item (3)--The \$10 charge by the City of Madeira Beach for hauling away trash associated with moving into a new home is not reimbursable under FTR, Part 6 as a residence transaction expense or under FTR, Part 8 as a cost of transportation of household goods. Moreover, charges for extra trash pickup may occur from time to time and are a normal incident of home ownership. Like the expense of cleaning, such expense is not reimbursable as a miscellaneous expense under FTR, Part 3. Compare B-190815, March 27, 1978.

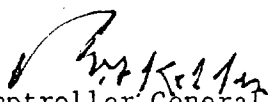
Items (4) and (5)--Mr. Brawner urges reimbursement of his costs for a building permit (\$294.50) and development fee (\$250) required for the construction of his new home. These elements of cost are not comparable to expenses reimbursable in connection with the purchase of an existing residence, and are not payable on that basis. FTR, para. 2-6.2d. Moreover, the employee's contention that these costs were less than costs would be for a 2 percent service charge or processing fee on

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financing the purchase of an existing home does not form a legal basis for allowance of such costs, since such fees are finance charges and are not themselves reimbursable. See 54 Comp. Gen. 827, 829 (1975).

Item (6)--Miscellaneous expenses which Mr. Brawner was reimbursed were limited to \$1,300.80, since in no instance can miscellaneous expenses reimbursement exceed a maximum of 2 weeks' basic pay for GS-13. See FTR, para. 2-3.3b. The employee feels the additional \$61.35 amount disallowed as in excess of that maximum should be allowed as legal expenses. Because he has not specified any particular item of expense that he believes should be reimbursed as a legal expense we find no basis to allow any of the \$61.50 claimed.

Accordingly, no basis exists for payment of the additional expenses claimed by the employee.

  
Deputy Comptroller General  
of the United States