

OF THE UNITED STATES WASHINGTON, D.C. 20548

THE COMPTROLLER GENERAL

FILE: B-219734

DATE: April 16, 1986

MATTER OF: Gayla Chappel Reiter

DIGEST:

- 1. An employee of Social Security Administration claims the cost of air travel which arose from the use of an indirect route from Baltimore, Maryland, to San Francisco, California. The higher costs due to the indirect route must be borne by the traveler even though they may have been erroneously included in the cost of a direct route quotation by the Government's contracted travel service.
- 2. The Social Security Administration's debt collection procedures did not require hearing for the collection of an outstanding travel advance. The Debt Collection Act of 1982 and implementing Federal Claims Collection Standards do not require a hearing when collection is under the general provisions of 31 U.S.C. § 3716 and the travel advance recoupment provisions of 5 U.S.C. § 5705, even though a hearing would be required for collection of other debts under 5 U.S.C. § 5514.

The Social Security Administration has requested an advance decision whether the higher cost for official travel from Baltimore, Maryland, to San Francisco, California, by way of Portland, Oregon, was properly denied to Gayla Chappel Reiter, an employee of the Administration, and whether the Administration's procedures used to collect an outstanding travel advance in a similar amount from the employee were proper under the Debt Collection Act of 1982. The Government may pay only for cost of travel by a usually traveled route. Additional costs of \$149 due to indirect routing must be borne by the traveler even though the Government's contracted travel service erroneously advised the employee that the indirect route would cost only \$1 more than direct travel. The Administration's procedures for collecting the outstanding travel advance in an amount equal to the B-219734

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indirect travel costs, which would not include an oral hearing, would comply with the Debt Collection Act of 1982.

BACKGROUND

The Social Security Administration authorized Mrs. Gayla Chappel Reiter to travel from San Francisco, California, to Baltimore, Maryland, and return, in December 1982 to participate in a labor-management review of pre-existing collective-bargaining agreements. The Administration provides travel arrangements through a contractor travel agency, which provided a round-trip ticket to Mrs. Reiter for travel from San Francisco to Baltimore, with the return by way of Portland, Oregon. The contractor billed the Social Security Administration for the full cost of the ticket which the Administration paid. Mrs. Reiter asserted on her travel reimbursement voucher that the stopover in Portland had not cost the Government any money. Upon audit of that voucher the Administration determined that the return through Portland cost \$149 more than the direct return fare from Baltimore to San Francisco. Mrs. Reiter does not now contest the fact of that additional However, she explains that an employee of the cost. contractor travel agency told her that the only difference between the return fare including a stopover in Portland and the direct return fare to San Francisco was \$1. She says she paid to the travel agency this additional cost before her tickets were issued. She feels that the Administration should not hold her liable because of the incorrect information dispensed by the travel agency.

When the Administration attempted collection of Mrs. Reiter's outstanding travel advance, including an amount of \$149 which was charged her in computing her travel voucher, by offsetting her salary, she complained that she was not given due process, apparently because she was not afforded an oral hearing.

The Indirect Travel Issue

The Government may pay the cost of official travel expenses on a usually traveled route. Additional expenses resulting from indirect route travel must be paid by the traveler. Federal Travel Regulations, para. 1-2.5, FPMR 101-7 (September 1981), incorp. by ref., 41 C.F.R. B-219734

§ 101-7.003 (1983). Even though the traveler has been erroneously advised by an agency travel officer or agent that there is no difference in cost between the travel on a usually traveled route and the indirect route selected or that he has been advised that the indirect travel is authorized in advance, the traveler must pay any additional costs resulting from travel by an indirect route. B-205055, June 25, 1982. Marlene Boberick, B-210374, July 8, 1983.

In this case Mrs. Reiter stated that she was told by the travel agency that the only additional cost of her indirect travel through Portland would be \$1, and that she paid \$1 to the travel agency. However, the cost of the ticket issued was in fact \$149 more than the cost of direct routing and this amount was charged to the Administration by the contractor.

Mrs. Reiter cites <u>Marlene Boberick</u>, B-210374, <u>supra</u>, as an instance where a traveler was not held responsible for erroneous advice and a higher priced ticket issued by the Government's contracted travel agency for indirect travel. In that case, however, the higher cost was allowed because it was determined that that higher fare was the lowest applicable fare on the day the ticket was issued. In Mrs. Reiter's case, apart from the misinformation given by an employee of the travel agency, there was never any question but that the fare by the indirect route was \$149 higher. Thus, under B-205055, <u>supra</u>, the Administration was required to collect the excess charge from Mrs. Reiter.

The Administration's Debt Collection Procedure

The Administration requests our view of whether their debt collection procedures in recovering the money advanced to Mrs. Reiter for her travel under 5 U.S.C. § 5705 (1982) met the due process requirements of the Debt Collection Act of 1982, Pub. L. No. 97-365, 96 Stat. 1749. Mrs. Reiter raised her due process objection because she apparently believed that she should have been provided an oral hearing mandated by section 5 of the 1982 Act, 5 U.S.C. § 5514, before her salary was offset to collect the debt.

The procedural requirements for salary offsets under section 5 of the Debt Collection Act of 1982 are different

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from the procedural due process requirements for administrative offset under section 10 of the Debt Collection Act of 1982, 31 U.S.C. § 3716 (1982). We have held that salary offsets authorized by statutory law other than 5 U.S.C. § 5514, such as 5 U.S.C. § 5705, must comply with the procedural requirements of section 10 of the Debt Collection Act but are not subject to the more stringent provisions of section 5 of that Act, which amended 5 U.S.C. § 5514. See Offset Under Statutes Other Than Debt Collection Act of 1982, 64 Comp. Gen. 142 (1984). Since the debt collection here involved the refund of a travel advance the procedures applicable are those under section 10 of the Debt Collection Act of 1982, as contained in 31 U.S.C. § 3716, which are implemented in the Federal Claims Collection Standards for administrative offset in 4 C.F.R. Chapter 2 (1984).

Section 102.3(c)(2) of the Federal Claims Collection Standards provides:

"(2) This section does not require an oral hearing with respect to debt collection systems in which determinations of indebtedness or waiver rarely involve issues of credibility or veracity and the agency has determined that review of the written record is ordinarily an adequate means to correct prior mistakes. In administering such a system, the agency is not required to sift through all of the requests received in order to accord oral hearings in those few cases which may involve issues of credibility or veracity."

The Administration has determined that its system for recovering travel advances under 5 U.S.C. § 5705 "rarely involve[s] issues of credibility or veracity" so the Administration does not provide oral hearings but only the "paper hearing" or review of the record prescribed in section 102.3(c)(3) of the Standards. Thus, it appears that the procedures for collection of the debt in question comply with the procedural requirements prescribed by statutory laws and implementing regulations. We note that this result is not prejudical to Mrs. Reiter's case because the travel agent's erroneous advice concerning the extra cost for circuitous travel and her payment of \$1 to the travel

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agency, matters which were apparently disputed at one point, would not change her liability to return to the Government the actual excess cost of \$149.

Accordingly, Mrs. Reiter is not entitled to credit for the excess cost of her circuitous travel and the outstanding travel advance may properly be collected from Mrs. Reiter by administrative offset under section 10 of the Debt Collection Act of 1982 as implemented by the Federal Claims Collection Standards.

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Comptroller General of the United States