

The Comptroller General of the United States

Washington, D.C. 20548

Decision

Matter of:

.. Omar J. Norris

File:

B - 224590

Date:

November 10, 1986

DIGEST

An employee is not entitled to retain liquidated damages (denied boarding compensation) paid to him by a commercial airline for the inconvenience and delay resulting from denial of a reserved seat for official travel. Such compensation belongs to the Government.

DECISION.

In this decision, we hold that Mr. Omar J. Norris, a former civilian employee of the Army, was not entitled to a \$400 denied boarding compensation he received as a penalty payment from a commercial airline because of its failure to provide him reserved passenger space while he was on official Government travel. The denied boarding compensation was properly retained by his employing office as money belonging to the Government.

BACKGROUND

On March 10, 1983, Mr. Norris had airline reservations to travel on official business from Huntsville, Alabama, to Las Vegas, Nevada. The airline, however, had sold more tickets than there were seats ("over booking"). Mr. Norris was involuntarily denied boarding and had to take a later flight. In accordance with regulatory requirements, the airline paid him the \$400 denied boarding compensation as liquidated damages for the inconvenience and delay. He transferred this payment to his employing office as required under travel regulations. Thereafter he filed claims with the Army and our Claims Group for refund of the payment to him. He now asks the Comptroller General to reconsider the Claims Group's disallowance in its settlement certificate Z-2853857, May 28, 1986.

ANALYSIS AND CONCLUSION

The Federal Travel Regulations, para. 1-3.5b (Supp. 4, Aug. 23, 1982), incorp. by ref., 41 C.F.R. \S 101-7.003 (1983), state:

"Penalty payments made by air carriers under certain provisions of their tariffs for failing to furnish accommodations for confirmed reserved space are due the Government and not the traveler when they result from travel on official business. Each agency shall instruct travelers to turn in to the agency any of these payments received from the carriers."

We have long held that this type of denied boarding compensation paid by a carrier for failure to furnish reserved space to an employee traveling on official business belongs to the Government. 41 Comp. Gen. 806 (1962). As is indicated above, this rule is also stated in the FTR, para. 1-3.5b. Consequently, the amount of the penalty payment Mr. Norris received and transferred to the Army may not be refunded to him. John B. Currier, 59 Comp. Gen. 95 (1979).

Accordingly, the disallowance by our Claims Group is sustained.

Comptroller General of the United States