



United States  
General Accounting Office  
Washington, D.C. 20548

Office of the General Counsel  
B-235411

August 30, 1989

Ms. Loretta Jaramillo  
Claims Coordinator  
Budget Rent a Car Systems, Inc.  
2501 Sunport, S.E.  
P.O. Box 9207  
Albuquerque, New Mexico 87119-9207

Dear Ms. Jaramillo:

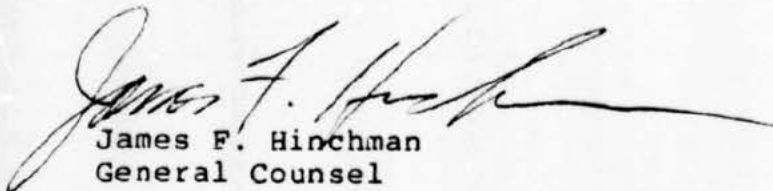
Your letter and statement of claim of October 21, 1988, addressed to Ms. [redacted] has been referred to this Office. Ms. [redacted] is an employee of the Federal Home Loan Bank Board (now Office of Thrift Supervision), a federal agency. At the time she entered into rental agreement ABQDD 0084456 with your company for the period October 8-15, 1988, she was performing official travel under a travel order.

Your company is one of the rental companies participating in the car rental program for federal employees negotiated by the Military Traffic Management Command, Department of Defense. Under the terms of that agreement, participating companies have agreed to provide full comprehensive and collision insurance by including Collision Damage Waiver protection in the basic rate charged federal employees on official travel and by assuming the risk of all loss and damage to the rental vehicle. The exception to that assumption of risk, as modified by individual agreement between Budget Rent a Car and the Military Traffic Management Command, effective November 1, 1986, involves loss and damage to the rented vehicle if it results from the violation of one of the vehicle use restrictions contained in the vehicle rental agreement (section 5A through H of Ms. [redacted] rental agreement). In that event, Budget Rent a Car will submit its bill for loss and damage directly to the employee's agency for payment.

There is no showing that Ms. [redacted] violated any of the use restrictions in that rental agreement at the time of the collision. In view thereof, neither she nor the government is liable for the loss and damage in question.

If you have any questions about this matter, you may contact  
Mr. A. James Riedinger of this Office on .

Sincerely yours,



James F. Hinchman  
General Counsel

cc: Mr. Randall W. Tietsort  
Regional Director of Government Sales  
Budget Rent a Car Systems, Inc.  
Suite 630  
8614 Westwood Center Drive  
Vienna, Virginia 22180

Mr. James B. Deemer  
Controller  
Office of Thrift Supervision  
1700 G Street, N.W.  
Washington, D.C. 20552