



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Adrian F. Tuck - Manpower Shortage Appointees -
Household Goods Excess Insurance Costs

File: B-231120

Date: October 6, 1988

DIGEST

An employee, who was appointed to a manpower shortage position, claims reimbursement for the cost of excess insurance obtained by him incident to the movement of household goods. He argues that the law and regulations limiting reimbursement entitlement do not apply since he was a non-citizen, non-federal employee when the situation arose. The claim is denied since the regulations authorizing the shipment of household goods specifically provide that the cost of excess insurance obtained by an employee will be borne by the employee.

DECISION

This decision is in response to a request from the Director, Office of Administration, National Oceanic and Atmospheric Administration (NOAA), United States Department of Commerce, concerning the entitlement of a NOAA employee to be reimbursed the cost of additional insurance on his household goods shipment incident to his travel to his first permanent duty station. We conclude that the cost may not be reimbursed for the following reasons.

BACKGROUND

Mr. Adrian F. Tuck, a citizen and resident of the United Kingdom, was selected by NOAA as a research chemist. His first duty station was Boulder, Colorado, with a reporting date of on or about August 31, 1986. He was authorized travel for himself and three dependents and shipment of household goods from Wokingham, Berkshire, England, to Boulder, Colorado. Incident to that move, Mr. Tuck secured additional insurance on his household goods. Upon completion of his travel, the agency paid for the cost of the shipment and billed Mr. Tuck for \$1,395.63. This amount represented insurance at the rate of \$2.50 per hundred dollars of valuation for the entire shipment (\$55,825),

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which was in excess of the \$0.60 per pound authorized to be paid by the government for standard liability coverage.

Mr. Tuck appealed that agency action arguing that at no time was he informed that he might be called upon to fund any part of his move. He contends that he was told only that his moving costs would be paid by the government and that he was not told anything about insurance on the shipment or that he would be held responsible for the cost of insurance on any excess valuation.

In response, the agency advised him that under the provisions of the Federal Travel Regulations, employees must bear all expenses, including additional insurance costs, not specifically authorized to be reimbursed by the government. See Dale C. Williams, B-214596, Aug. 29, 1984; Vernon L. Cox, B-203345, July 7, 1982.

Mr. Tuck further appeals here arguing that the Cox and Williams decisions are not applicable to him on the grounds that those individuals were already federal employees, they were moving within the United States, and they were United States citizens. He argues that since he was only a recruit going to his first federal position and since he was a citizen and resident of the United Kingdom at the time, none of the statutes and regulations cited are applicable to him.

RULING

We disagree with Mr. Tuck's arguments. The law and the regulations which grant benefits to individuals incident to federal employment are applicable to all who are eligible to and do become federal employees, regardless of citizenship or where their pre-employment residence is located.

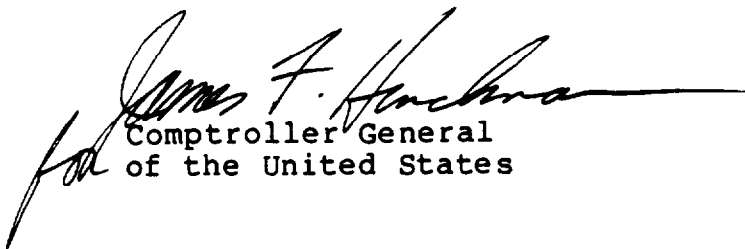
As a new appointee, Mr. Tuck's relocation expenses were authorized under 5 U.S.C. § 5723 (1982). That provision authorizes, subject to regulations, the reimbursement of the travel and transportation expenses of a manpower shortage position appointee and immediate family, including the expenses of moving their household goods and other personal effects, from their place of residence at the time of selection to their first permanent duty station. The regulations which implement this statute are those contained in chapter 2 of the Federal Travel Regulations (FTR) (Supp. 1, Sept. 28, 1981), incorp. by ref., 41 C.F.R. § 101-7.003 (1986). Part 8 of chapter 2 of the FTR governs transportation and temporary storage of household goods, and paragraph 2-8.4c(4) states that the valuation of property will not exceed the minimum valuation amount included in the

carrier's rate. Cox, supra. In addition, FTR, para. 2-8.4e(3) states:

"(3) Excess valuation or insurance. An employee may declare a valuation above the minimum permitted if he/she assumes all additional expenses resulting therefrom, including the cost of insurance needed to protect the higher valuation."

Thus, an employee may declare a valuation above the carrier's minimum released valuation, but the employee must bear the additional insurance costs attendant to that valuation. Cox, supra; Donald S. Weaver, B-181991, Apr. 8, 1975; American Red Ball Transit Co., Inc., B-197670, Apr. 16, 1981. Only in situations where some law or regulation requires additional insurance on the shipment will the government bear the added expense. Weaver, supra.

While Mr. Tuck has argued that the law and the regulations do not apply to him, because he was a non-citizen, non-federal employee at the time when the situation arose, we note that neither the law nor the regulations recognize such a distinction. His entitlement to reimbursement for his household goods shipment is limited by FTR, para. 2-8.4c. Therefore, he is liable for such additional expenses required to be paid by the government for excess valuation insurance on that shipment.


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