



GENERAL SERVICES ADMINISTRATION

41 CFR Part 302-16

[FTR Case 2022-04 Docket No. GSA-FTR-2023-0017, Sequence
No. 2]

RIN 3090-AK65

Federal Travel Regulation (FTR); Relocation Allowances - Miscellaneous Expenses Allowance

AGENCY: Office of Government-wide Policy (OGP), General
Services Administration (GSA).

ACTION: Final rule.

SUMMARY: The United States (U.S.) General Services
Administration (GSA) is issuing a final rule amending the
Federal Travel Regulation (FTR) to remove the relocation
miscellaneous expenses allowance (MEA) lump sum amounts
from the FTR. These lump sum amounts will be published in
FTR Bulletins on an intermittent basis, much like what is
done for per diem and mileage rates. The relocation MEA
actual expense (as opposed to lump sum) amounts are
unchanged and will remain in the FTR. This final rule also
updates the types of expenses that may or may not be
reimbursed by relocation MEA when employees itemize under
actual expense. Additionally, this final rule updates and
clarifies other relocation MEA regulatory sections and
rearranges them into a more sequential order.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*] .

FOR FURTHER INFORMATION CONTACT: For clarification of content, contact Mr. Rodney (Rick) Miller, Program Analyst, Office of Government-wide Policy (OGP), at 202-501-3822 or *travelpolicy@gsa.gov*. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202-501-4755 or *GSARegSec@gsa.gov*. Please cite FTR Case 2022-04.

SUPPLEMENTARY INFORMATION:

I. Background

GSA published a proposed rule at 89 FR 4268 on January 23, 2024, which proposed FTR changes to relocation MEA. This rule finalizes those proposed changes as summarized above, and as set forth in greater detail below.

Pursuant to 5 United States Code (U.S.C.) 5738, the Administrator of General Services is authorized to prescribe regulations necessary to implement laws regarding Federal employees when assigned a temporary change of station (TCS) or when otherwise transferred in the interest of the Government. The overall implementing authority is the FTR, codified in title 41 of the Code of Federal Regulations, chapters 300 through 304.

GSA's OGP continually reviews and adjusts policies and regulations under its purview to address Government relocation needs and to incorporate best practices, where

appropriate, as a part of its ongoing mission to provide policies for travel by Federal civilian employees and others authorized to travel at Government expense.

Pursuant to 5 U.S.C. 5724a(f) and 5737(a)(6), an employee transferred in the interest of the Government from one official station to another, assigned to a TCS location, or who has completed a TCS assignment and returned to their previous official station is authorized a relocation MEA.

The purpose of the relocation MEA is to defray some of the costs incurred due to relocating. The allowance is related to expenses that are common to living quarters, such as fees for disconnecting and connecting appliances; cutting and fitting rugs, draperies, and curtains moved from one residence to another; utility fees or deposits that are not offset by eventual refunds; forfeiture of medical, dental, and other non-transferrable contracts; and the cost of changing automobile registration(s) and driver's licenses.

The FTR provides that a relocation MEA may be paid using one of two methods: lump sum or actual expense. Under the lump sum method, the agency pays a lump sum amount without requiring employee documentation of expenses. Under the current regulatory language, the lump sum amounts are "either \$650 or the equivalent of one week's basic gross pay, whichever is the lesser amount" for an employee

without immediate family members relocating with them, and “\$1300 or the equivalent of two weeks’ basic gross pay, whichever is the lesser amount” for an employee with immediate family members relocating with them.

Under the actual expense method, the agency may authorize the employee to claim actual costs depending on the type of expenses incurred, in an amount in excess of the prescribed lump sum amount. The employee justifies any actual expenses by itemizing with supporting documentation. Reimbursement is limited to one or two weeks’ basic gross pay depending on whether or not the employee has immediate family relocating with them, not to exceed the maximum rate payable for a position at GS-13, Step 10, of the General Schedule (base) (see 5 U.S.C. 5332).

This final rule amends the FTR by removing the relocation MEA lump sum amounts from the FTR and directing readers to an FTR bulletin with the relocation MEA lump sum amounts. GSA will publish the initial FTR bulletin with the relocation MEA lump sum amounts concurrent with the final rule’s effective date. Agencies are advised that the relocation MEA lump sum amounts are expected to increase since they were last updated in 2011. Moving forward, GSA will publish FTR bulletins to update the relocation MEA lump sum amounts, as needed, based on changes to the Consumer Price Index (CPI). The final rule also clarifies in the regulatory text that “basic gross pay”, as

referenced in FTR part 302-16, does not include "locality pay." See 5 U.S.C. 5302 and 5304.

This final rule also updates and clarifies the relocation MEA sections in the FTR and rearranges them into a more sequential order, to include replacing the table at FTR §302-16.2 with an updated list of examples for which the relocation MEA may be authorized, and updating the list of examples for which the relocation MEA may not be authorized. It also removes the relocation MEA employee eligibility table at FTR §302-16.3 and reformats it as an employee eligibility listing.

II. Discussion of the Final Rule

A. Summary of Significant Changes

GSA has not made any significant changes to the regulatory language from the proposed to final rule.

B. Analysis of Public Comments

GSA received one comment to the proposed rule suggesting that the relocation MEA lump sum match the amounts listed in the Department of State Standardized Regulations (DSSR) and urged that the relocation MEA lump sum amounts remain in the FTR instead of being published in a bulletin due to intra-agency distribution concerns. In response, GSA notes that it will determine the lump sum amounts based on the Consumer Price Index (CPI). While GSA expects its relocation MEA lump sum amounts to be similar

to the DSSR's, the CPI fluctuates. Accordingly, the amounts to be determined by GSA in the present day may not exactly match the DSSR amounts since those were last updated in 2019. In response to the commenter's distribution concerns, publication of the relocation MEA lump sum in an FTR Bulletin affords GSA the flexibility to update the relocation MEA lump sum as needed to more fairly compensate travelers in line with the CPI. If GSA were to continue publishing the amounts in the FTR, such numbers can only be updated via a regulatory amendment, by which time, it may not accurately reflect the current CPI. Also, a bulletin takes less time and administrative effort to publish than a rule. Finally, note 1 to § 302-16.6 includes a direct link to GSA's FTR Bulletins for ease of distribution, in addition to the fact that notices of FTR Bulletins are published in the **Federal Register** and include a link to the Bulletin. GSA's OGP also emails all Federal agencies' travel and relocation operations and policy program managers to inform them of all FTR rules and bulletins when they are published, and recommends that such information be shared with relevant offices within their agency. GSA's OGP also briefs FTR changes to agency Senior Travel Official Council (STOC) members at regular intervals. Therefore, GSA will not change the final rule based on this comment.

C. Expected Cost Impact to the Public

This rule does not result in cost impacts to the public. However, the changes may result in a slight increase in cost to the Federal Government as the relocation MEA lump sum amounts are expected to increase. Specifically, GSA will publish an FTR bulletin containing the relocation MEA lump sum amounts for an employee relocating without immediate family members and for an employee relocating with immediate family members. As detailed in the proposed rule, GSA expects the average relocation MEA lump sum amount across Federal agencies to increase to \$1,125, for an estimated total increase of \$312,973 per year agencywide (for those agencies subject to the FTR).¹

III. Executive Orders 12866, 13563, and 14904

Executive Order (E.O.) 12866 (Regulatory Planning and Review) directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and

¹GSA used data from the GSA's Business Travel and Relocation Dashboard for each agency to determine what was the average cost per MEA from FY18-FY22, and what the additional cost would be given the MEA increase of \$650 to \$750 for single employees and \$1,300 to \$1,500 for employees with families. GSA calculated the difference between the average MEA cost against \$1,125 IF the average MEA cost was less than \$1,125. This is because if the MEA cost is greater than the new MEA amount, then the employee would be more likely to do actual expense and there wouldn't be an additional cost to the MEA increase because the employee would be more likely to do actual expense rather than the old MEA amount as well. As a result, only 4 agencies had an average MEA cost lower than the average of the new MEAs. GSA multiplied the difference for those 4 agencies against the number of MEAs for those 4 agencies and summed it up to \$312K.

equity). E.O. 13563 (Improving Regulation and Regulatory Review) emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. E.O. 14094 (Modernizing Regulatory Review) amends section 3(f) of E.O. 12866 and supplements and reaffirms the principles, structures, and definitions governing contemporary regulatory review established in E.O. 12866 and E.O. 13563. The Office of Management and Budget's Office of Information and Regulatory Affairs (OIRA) determined that the proposed rule was a significant regulatory action; however, after further discussion between GSA and OIRA, OIRA has determined that this final rule is not a significant regulatory action, and therefore, it is not subject to review under section 6(b) of E.O. 12866.

IV. Congressional Review Act

OIRA has determined that this rule is not a "major rule" under 5 U.S.C. 804(2). Title II, Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (codified at 5 U.S.C. 801-808), also known as the Congressional Review Act or CRA, generally provides that before a rule may take effect, unless excepted, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. This rule is excepted from CRA reporting requirements prescribed

under 5 U.S.C. 801 as it relates to agency management or personnel under 5 U.S.C. 804(3)(B).

V. Regulatory Flexibility Act

This final rule will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, et seq. This final rule is also exempt from the Administrative Procedure Act pursuant to 5 U.S.C. 553(a)(2) because it applies to agency management or personnel. Therefore, an Initial Regulatory Flexibility Analysis was not performed.

VI. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FTR do not impose recordkeeping or information collection requirements, or the collection of information from offerors, contractors, or members of the public that require the approval of the Office of Management and Budget (OMB) under 44 U.S.C. 3501, et seq.

List of Subjects in 41 CFR Part 302-16

Government employees, Relocation, Travel and transportation expenses.

Robin Carnahan,

Administrator of General Services.

For reasons set forth in the preamble, GSA revises 41 CFR part 302-16 to read as follows:

PART 302-16 - ALLOWANCE FOR MISCELLANEOUS EXPENSES

Sec.

302-16.0 In general.

Subpart A - General Rules

302-16.1 What is the purpose of the miscellaneous expenses allowance (MEA)?

302-16.2 Who is and who is not eligible for a MEA?

302-16.3 Must my agency authorize payment of a MEA?

302-16.4 How will I receive the MEA?

302-16.5 May I receive an advance of funds for MEA?

302-16.6 What amount may my agency reimburse me for miscellaneous expenses?

302-16.7 May I claim an amount in excess of that prescribed in this part?

302-16.8 What are examples of types of costs covered by the MEA?

302-16.9 What are examples of types of costs not covered by the MEA?

302-16.10 What standard of care must I use in incurring miscellaneous expenses?

Subpart B—Agency Responsibilities

302-16.100 What governing policies must we establish for MEA?

302-16.101 How should we administer the authorization and payment of miscellaneous expenses?

302-16.102 Are there any restrictions to the types of costs we may cover?

Authority: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, as amended, 3 CFR, 1971-1975 Comp., p. 586.

§ 302-16.0 In general.

(a) Use of pronouns "I", "you", and their variants throughout subpart A of this part refers to the employee, unless otherwise noted.

(b) Use of pronouns "we", "you", and their variants throughout subpart B of this part refers to the agency.

Subpart A—General Rules

§302-16.1 What is the purpose of the miscellaneous expenses allowance (MEA)?

The miscellaneous expenses allowance (MEA) is intended to help defray various costs incurred due to relocation, assignment to a temporary official station (TCS), and return to the previous official station upon completion of a TCS assignment.

§302-16.2 Who is and who is not eligible for a MEA?

(a) You are eligible for a MEA if:

(1) Your agency authorized or approved a transfer or a TCS;

(2) You discontinued and established a residence in connection with your transfer or TCS;

(3) You meet the applicable eligibility conditions in part 302-1 of this chapter; and

(4) You signed a required service agreement in part 302-2 of this chapter, if transferred.

(b) You are not eligible for a MEA if you are:

(1) A new appointee;

(2) A Senior Executive Service (SES) employee authorized "last move home" benefits upon separation from Government service;

(3) Assigned under the Government Employees Training Act (5 U.S.C. 4109);

(4) Returning from an Outside the Continental United States (OCONUS) official station to place of actual residence for separation from Government service; or

(5) Returning from an OCONUS official station to a new CONUS official station if relocation expenses have not been authorized to the new CONUS official station.

§302-16.3 Must my agency authorize payment of a MEA?

Yes, if you meet the applicable eligibility conditions in §302-16.2, your agency must authorize payment of a MEA.

§302-16.4 How will I receive the MEA?

You will be reimbursed your MEA in accordance with your agency's internal relocation policy.

§302-16.5 May I receive an advance of funds for MEA?

No, your agency may not authorize an advance of funds for MEA. MEA may be paid after you have transferred to the

new official station, upon assignment to your TCS, or upon completion of your TCS and return to your previous official station, as applicable.

§302-16.6 What amount may my agency reimburse me for miscellaneous expenses?

The following amounts will be paid for miscellaneous expenses without support or documentation of expenses:

(a) Either a lump sum amount set in a Federal Travel Regulation (FTR) bulletin or the equivalent of one week's basic gross pay, whichever is the lesser amount, if you have no immediate family relocating with you; or

(b) Either a lump sum amount set in an FTR bulletin or the equivalent of two weeks' basic gross pay, whichever is the lesser amount, if you have immediate family relocating with you.

Note 1 to § 302-16.6: GSA publishes the lump sum amounts in an FTR bulletin on an intermittent basis at <https://gsa.gov/ftrbulletins>.

§302-16.7 May I claim an amount in excess of that prescribed in this part?

Yes, you may claim an amount in excess of that prescribed in § 302-16.6 if authorized by your agency; and

(a) Supported by acceptable statements of fact, paid bills or other acceptable evidence (documentation) justifying the amounts claimed; and

(b) The aggregate amount does not exceed your basic gross pay (at the time you reported for duty, at your new official station) for:

(1) One week if you are relocating without immediate family; or

(2) Two weeks if you are relocating with immediate family.

(c) The amount authorized cannot exceed the maximum rate of grade GS-13, Step 10 General Schedule (base) salary (excluding locality pay) (see 5 U.S.C. 5332) at the time you reported for duty at your new official station.

§302-16.8 What are examples of types of costs covered by the MEA?

Miscellaneous expenses are costs associated with relocating that are not covered by other relocation benefits detailed in this chapter. Expenses allowable include but are not limited to the following, and similar, items:

(a) Fees for disconnecting and connecting utilities (such as gas, water, electricity), appliances, equipment (such as a security system or electric vehicle charging station), or conversion of appliances for operation on available utilities;

(b) Fees for cutting and fitting rugs, draperies, and curtains when they are moved from one residence to another;

(c) Deposits or fees for utilities not offset by eventual refunds;

(d) Losses that cannot be recovered by transfer or refund and are incurred due to early termination of a contract (e.g., medical, dental, private institutional care for immediate family members with disabilities, nonrefundable education enrollment fee, real estate expenses connected with the cancellation of a contract when a new transfer prevented the employee from completing a purchase of a residence);

(e) Automobile registration, driver's license, and use taxes imposed when initially bringing privately-owned vehicles (POVs) into certain jurisdictions;

(f) Reinstalling or removing automobile parts upon vehicle reentry into the United States or entry into a foreign country, when removal or installation of those automobile parts was required by host country law;

(g) Post office box rental fee when rented to provide a constant mailing address between the time an employee departs the old residence and occupies a residence at the new official station;

(h) Rental agent fees customarily charged for securing housing in foreign countries;

(i) Reassembly, set up, and tuning of a piano moved for relocation;

(j) Pet care (for cats and dogs only), child care, or adult care for dependent parents or other adult dependents incapable of self-care at home while the employee or spouse are away on a househunting trip, or are packing or unpacking;

(k) Rental car fees while awaiting a delayed POV shipment to or from OCONUS if the transportation service provider (TSP) has not arranged for the employee's use of a rental car at TSP expense. Reimbursement may be authorized starting after the shipping company designated delivery date, shall not exceed 10 days, and does not include the days after the POV is delivered or a new POV is purchased at location. The rental car for the employee and immediate family members must be the same or comparable size or model as the POV the employee shipped;

(l) Transportation and quarantine of pets (cats and dogs only). Costs normally associated with the transportation, quarantine fees, and handling of dogs and cats. This includes pet-related costs due to air carrier rules or imposed by the law of the jurisdiction of the employee's new residence as an integral part of the process of admissions and licensing;

(m) Professional relicensing fees required by the new official station that are directly related to the employee's occupation, such as fees required to take the bar exam or teaching certification; and professional

relicensing fees or business costs (including exam, continuing education courses, business license, permit, and registration fees) that are directly related to the immediate family member's occupation, when the immediate family member was licensed or certified in a profession, or owned a business, at the employee's previous official station and is required to secure or maintain a new professional license or certification, or business license or permit, to engage in that profession in a new jurisdiction because of unique licensing or certification requirements and authorities; or

(n) Specialized shipment of hazardous materials, such as lithium batteries, when Federal, state, local, and foreign country laws or carrier regulations prohibit commercial shipment of certain articles not included as part of household goods, which cannot be otherwise transported to the new official station because of shipping and transportation restrictions.

§302-16.9 What are examples of types of costs not covered by the MEA?

Examples of costs that are not reimbursable from the MEA are:

(a) Losses in selling or buying real and personal property and costs related to such transactions;

(b) Cost of additional insurance on household goods while in transit to the new official station or cost of loss or damage to such property;

(c) Additional costs of moving household goods caused by exceeding the maximum weight limitation;

(d) Costs of newly acquired items, such as the purchase or installation cost of new rugs or draperies;

(e) Higher income, real estate, sales, or other taxes as the result of establishing residence in the new locality;

(f) Fines imposed for traffic infractions while en route to the new official station locality;

(g) Accident insurance premiums or liability costs incurred in connection with travel to the new official station locality, or any other liability imposed upon the employee for uninsured damages caused by accidents for which the employee or their immediate family is held responsible;

(h) Losses as the result of sale or disposal of items of personal property (such as lithium batteries, gasoline, and natural gas) not considered convenient or practicable to move;

(i) Damage or loss of clothing, luggage, or other personal effects while traveling to the new official station locality;

(j) Subsistence, transportation, or mileage expenses in excess of the amounts reimbursed as per diem or other allowances under this subtitle;

(k) Medical expenses due to illness or injuries while en route to the new official station or while living in temporary quarters at Government expense under the provisions of this chapter;

(l) Costs incurred in conjunction with structural alterations (such as remodeling or modernizing of living quarters, garages or other buildings to accommodate privately-owned automobiles, appliances or equipment [e.g., a security system or electric vehicle charging station]); or replacing or repairing worn-out or defective appliances, or equipment shipped to the new location;

(m) Costs incurred in connection with preparing a residence for sale or purchase (e.g., maintenance, repairs, cleaning);

(n) Delivery charges or costs associated with newly-acquired items (such as appliances, security systems, locksmith service, or new vehicle) at the new official station for reasons of personal taste or preference and not required because of the relocation;

(o) Costs unrelated to the quarantine, transportation, and handling of pets. Additional costs for lodging for a second room or boarding fees, micro-chipping, veterinary expenses (e.g., inoculations, examinations, medical care

and certification fees), routine care and grooming of pets, and purchases of crates and tags for the pets. Expenses for other animals (horses, fish, birds, reptiles, rodents, etc.) are not authorized because of their size, exotic nature, restrictions on shipping, host country restrictions, and special handling difficulties; or

(p) Costs related to obtaining a visa, passport, immigration green card, birth certificate or other acceptable evidence of birth when required for official travel to foreign locations; charges for immunization, inoculations, other disease-preventative medical prophylaxis, including disease testing, that are required for official travel if not obtained through the agency. The expenses in this paragraph (p) may be reimbursable as part of the employee's relocation en route travel miscellaneous expenses as specified in 41 CFR 301-12.1.

§302-16.10 What standard of care must I use in incurring miscellaneous expenses?

You must exercise the same care in incurring expenses that a prudent person would exercise if relocating at personal expense.

Subpart B—Agency Responsibilities

§302-16.100 What governing policies must we establish for MEA?

For MEAs, you must establish policies and procedures governing:

(a) Who will determine whether payment for an amount in excess of the lump sum MEA is appropriate; and

(b) How you will pay a MEA in accordance with §§302-16.2 and 302-16.3.

§302-16.101 How should we administer the authorization and payment of miscellaneous expenses?

You should limit payment of miscellaneous expenses to only those expenses that are necessary.

§302-16.102 Are there any restrictions to the types of costs we may cover?

Yes, a MEA cannot be used to reimburse:

(a) Costs or expenses incurred which exceed maximums provided by statute or in this subtitle;

(b) Costs or expenses incurred but which are disallowed elsewhere in this subtitle;

(c) Costs reimbursed under other provisions of law or regulations;

(d) Costs or expenses incurred for reasons of personal taste or preference and not required because of the move;

(e) Losses covered by insurance;

(f) Fines or other penalties imposed upon the employee or members of their immediate family;

(g) Judgments, court costs, and similar expenses growing out of civil actions; or

(h) Any other expenses brought about by circumstances, factors, or actions in which the move to a new official station was not the proximate cause.

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