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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

TRANS

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January 28, 1980

The Honorable John C. Stennis
Chairman, Committee on Armed Services
United States Senate

Dear Mr. Chairman: do not use available to public reading

Your letter of September 13, 1979, requests that we review current law and existing Department of the Air Force practice relating to the transportation of house trailers owned by its members.

You point out that 37 U.S.C. 409 (1976), which authorizes the transportation of house trailers, contains restrictions on the Government's house trailer allowances, but that it has come to your attention that the allowances established by the Air Force are higher than those set by the other services. The Air Force has stated that its allowances are based on the actual cost of moving a house trailer, including amounts remitted to the member.

You request our views on the matter for consideration with a legislative proposal, submitted by the Department of Defense, which, if adopted, would increase the allowances in 37 U.S.C. 409.

The statute authorizing trailer allowances, 37 U.S.C. 409 (1976), basically provides that under regulations prescribed by the Secretaries concerned and in lieu of transportation of baggage and household effects or payment of a dislocation allowance, a member of the uniformed services may transport a house trailer or mobile dwelling within and between specified geographical areas. The statute clearly limits the cost to the Government for the transportation of a house trailer to the lowest of three ceilings, namely (1) 74 cents per mile, (2) the current average cost of commercial transportation, and (3) the combined cost of transporting the member's maximum weight allowance of household goods, plus a dislocation allowance.

Chapter 10 of Volume 1 of the Joint Travel Regulations (JTR), which was issued pursuant to 37 U.S.C. 409, covers trailer allowances. It provides in paragraph M10004, subparagraphs 1 and 2, that the Government will arrange for

transportation of a member's house trailer provided the member agrees in writing to pay any excess costs involved including any costs in excess of the lowest statutory ceiling. It also requires that all costs paid to the carrier in excess of the lowest ceiling will be checked back against the member for repayment to the Government.

The regulation states that 74 cents per mile is the current lowest ceiling. But since the current average line-haul charge by carriers is about \$1.30 per mile, nearly every movement results in excess costs.

Section 9837(d), Title 10, United States Code (1976), provides that if the Secretary of the Air Force considers it in the best interest of the United States, he may have remitted or canceled any part of the enlisted member's indebtedness to the United States or any of its instrumentalities remaining unpaid before, or at the time of, that member's honorable discharge.

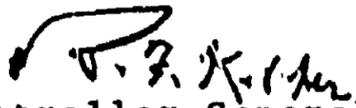
Our review disclosed that the Air Force adopted a policy of automatic remission, probably as early as 1974. Under this policy the costs of transportation in excess of the current statutory mileage ceiling are remitted to the member. In effect, this practice establishes "actual costs" of transportation (with the exception of unusual accessorial services) as the ceiling on the Government's obligation for payment. Justification for the practice is the apparent inequity between the current mileage allowance authorized for transportation of house trailers, and the generally higher allowance authorized for the transportation of a member's maximum weight allowance of household goods, plus dislocation allowance; however, there is evidence indicating that actual costs, in some cases, exceed the comparative costs of transporting household goods.

We recognize that the broad language of the remission statute, 10 U.S.C. 9837(d), provides the Secretary of the Air Force with discretion regarding the remission of these debts. However, by use of an automatic remission policy the Secretary is using that broad discretion to circumvent a limitation imposed by another provision of law. We feel that the discretion under the remission statute should be used in keeping with congressional intention that applications for remission be considered on the merits of individual cases. Automatic remission of an

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entire class of debts, such as the excess cost for the transportation of members' mobile homes, was not the congressional purpose when the remission authority was enacted or when the statutorily imposed maximum was enacted.

Sincerely yours,



Deputy, Comptroller General
of the United States