



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

April 30, 2019

CBCA 6211-RELO

In the Matter of KEVIN P. COFFEE

Kevin P. Coffee, Lowell, MA, Claimant.

Timothy Bailey, Supervisory Specialist, Accounting Operations Center, National Park Service, Department of the Interior, Herndon, VA, appearing for Department of the Interior.

HYATT, Board Judge.

Claimant, Kevin P. Coffee, has asked the Board to review the denial by the Department of the Interior's National Park Service (NPS) of his claim for reimbursement of the cost of motor vehicle insurance purchased in conjunction with his relocation from Oneida, New York, to Lowell, Massachusetts. Because this expense is an eligible cost incurred in connection with his self-move, we grant the claim.

Background

In May 2018, claimant, a new federal government appointee, was issued travel orders authorizing transportation and shipment of household goods (HHG) pursuant to a Government bill of lading (GBL), under which the Government assumes the responsibility for necessary arrangements for the shipment of HHG, with all charges billed directly to the agency. 41 CFR 302-7.200 (2017). The travel orders further advised that Mr. Coffee could choose to make his own arrangements for moving his HHG, explaining that if he did so he would be eligible for reimbursement of the costs incurred, not to exceed the cost the Government would have incurred under a GBL move.

Mr. Coffee elected to perform a self-move. After he reported for duty in Massachusetts, Mr. Coffee submitted a request for reimbursement of the costs he incurred

to rent a truck to move his HHG. One of the costs he itemized was for the amount of \$145.20, for insurance that he purchased after he determined that his own automobile insurance policy would not cover damage to the rental truck. NPS reimbursed the expenses incurred by Mr. Coffee with respect to the self-move, with the exception of the insurance premium, which it reasoned was not a reimbursable expense under the Federal Travel Regulation (FTR) .

Discussion

NPS does not dispute that Mr. Coffee incurred the insurance expense and recognizes that when an employee elects to transport household goods via a self-move, the FTR provides for reimbursement of actual costs incurred up to the amount that the Government would have paid directly under a GBL. 41 CFR 302-7.16. It contends, however, that the insurance premium paid by Mr. Coffee is not an allowable expense under certain provisions of the FTR.

NPS explains its concerns as follows:

While FTR 302-7.16 does create the impression that all of an employee's expenses would be reimbursable, to the extent that those expenses do not exceed the cost of a Government managed shipment, there are two additional provisions of the FTR that apply to Mr. Coffee's situation. These are FTR 302-7.12, which provides that "[t]he Government's liability for loss or damage to HHG is determined by [the] agency under title 31 U.S.C. [§§] 3721-3723 and agency implementing rules issued pursuant to law" and FTR 302.7-19, which provides that "[w]hen transporting HHG under the commuted rate or actual expense and a commercial HHG carrier is used, the carrier accepts limited liability for any loss or damage in accordance with HHG carrier tariffs. For transporting HHG by self drive equipment for a do-it-yourself-move and for any loss or damage not covered by the HHG carrier, see part 302-11 of this chapter."

NPS recognizes that part 302-11 of the FTR, which governs reimbursement of residence transaction expenses, and not expenses related to the transport of HHG, does not directly address the expense in issue. It notes, however, that FTR 302-11.202 provides that the agency "will not pay . . . [o]wners title insurance policy, 'record title' insurance policy, mortgage insurance or insurance against loss or damage of property and optional insurance paid for by you in connection with the purchase of a residence for your protection." Because FTR 302-7.19 specifically refers employees to 302-11, and because 302-11.202 proscribes the payment of insurance premiums to cover against loss or damage of property as an

allowable residence transaction expense, NPS construes FTR 302-11.202 to bar the agency from reimbursing the cost of the motor vehicle insurance purchased by Mr. Coffee.

In the alternative, NPS argues that Mr. Coffee is ineligible to recover this expense under FTR 301-10.451 and .452, which provides that employees who purchase collision damage waiver, theft insurance, and/or personal accident insurance when renting vehicles while on temporary duty travel will not be reimbursed for this expense. These FTR provisions explain that the Government is a self-insurer, that agreements with rental car companies include full insurance coverage for accidents occurring in performance of official travel, and that personal accident insurance is a personal expense that may not be reimbursed.

The provisions relied on by NPS do not apply to Mr. Coffee's move. FTR 302-7.19 and 302-11 expressly relate to insurance coverage for loss and damage to the household goods that are transported. The insurance purchased by Mr. Coffee covered potential damage to the rental truck during the move. The FTR provisions pertaining to temporary duty travel are also inapplicable to the resolution of this claim. An employee who is authorized to rent a vehicle to perform official travel cannot be reimbursed for the purchase of insurance offered by car rental agencies because it is a duplication of coverage already provided by the Government. Mr. Coffee, in renting a moving truck, was not able to rely on the Government's status as a self-insurer under contracts with rental car agencies. The General Services Board of Contract Appeals, our predecessor in settling claims by federal civilian employees for relocation expenses, has explained that a self-move entitles the employee to reimbursement of all costs actually incurred by the employee so long as the total costs claimed do not exceed the cost of an actual expense move. *Lawrence F. Fragomeli*, GSBCA 16086-RELO, 03-2 BCA ¶ 32,349; *Lawrence T. Kempe*, GSBCA 14470-RELO, 98-2 BCA ¶ 29,794. Both of these decisions held that liability insurance purchased to cover damage to self-drive equipment rented to perform a self-move is an actual expense for the transport of HHG. Accordingly, Mr. Coffee is entitled to recover this cost.

Decision

The claim is granted.

Catherine B. Hyatt
CATHERINE B. HYATT
Board Judge