

105TH CONGRESS
1ST SESSION

H. R. 930

To require Federal employees to use Federal travel charge cards for all payments of expenses of official Government travel, to amend title 31, United States Code, to establish requirements for prepayment audits of Federal agency transportation expenses, to authorize reimbursement of Federal agency employees for taxes incurred on travel or transportation reimbursements, and to authorize test programs for the payment of Federal employee travel expenses and relocation expenses.

IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 1997

Mr. HORN (for himself, Mrs. MALONEY of New York, Mr. MICA, and Mr. PORTMAN) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

A BILL

To require Federal employees to use Federal travel charge cards for all payments of expenses of official Government travel, to amend title 31, United States Code, to establish requirements for prepayment audits of Federal agency transportation expenses, to authorize reimbursement of Federal agency employees for taxes incurred on travel or transportation reimbursements, and to authorize test programs for the payment of Federal employee travel expenses and relocation expenses.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Travel and Transpor-
3 tation Reform Act of 1997”.

4 **SEC. 2. AUTHORITY TO REQUIRE USE OF THE TRAVEL**
5 **CHARGE CARD.**

6 (a) IN GENERAL.—Under regulations issued by the
7 Administrator of General Services, the Administrator may
8 require that Federal employees use the travel charge card
9 established pursuant to the United States Travel and
10 Transportation Payment and Expense Control System, or
11 any Federal contractor-issued travel charge, for all pay-
12 ments of expenses of official Government travel. The Ad-
13 ministrator shall exempt any payment, person, type or
14 class of payments, or type or class of personnel from any
15 requirement established under the preceding sentence in
16 any case in which—

17 (1) it is in the best interest of the United
18 States to do so;

19 (2) payment through a travel charge card is im-
20 practical or imposes unreasonable burdens or costs
21 on Federal employees or Federal agencies; or

22 (3) the Secretary of Defense or the Secretary of
23 Transportation (with respect to the Coast Guard)
24 requests an exemption with respect to the members
25 of the uniformed services.

1 (b) LIMITATION ON RESTRICTION ON DISCLO-
2 SURE.—

3 (1) IN GENERAL.—Section 1113 of the Right to
4 Financial Privacy Act of 1978 (12 U.S.C. 3413) is
5 amended by adding at the end the following new
6 subsection:

7 “(q) Nothing in this title shall apply to the disclosure
8 of any financial record or information to a Government
9 authority in conjunction with a Federal contractor-issued
10 travel charge card issued for official Government travel.”.

11 (2) EFFECTIVE DATE.—The amendment made
12 by paragraph (1) is effective as of October 1, 1983,
13 and applies to any records created pursuant to the
14 United States Travel and Transportation Payment
15 and Expense Control System or any Federal con-
16 tractor-issued travel charge card issued for official
17 Government travel.

18 (c) COLLECTION OF AMOUNTS OWED.—

19 (1) IN GENERAL.—Under regulations issued by
20 the Administrator of General Services and upon
21 written request of a Federal contractor, the head of
22 any Federal agency may, on behalf of the contractor,
23 collect by deduction from the amount of pay owed to
24 an employee of the agency any amount of funds the

1 employee owes to the contractor as a result of delin-
2 quencies on a travel charge card issued for payment
3 of expenses incurred in connection with official Gov-
4 ernment travel. The amount deducted from the pay
5 owed to an employee with respect to a pay period
6 may not exceed 15 percent of the net pay of the em-
7 ployee for that pay period, except that a greater per-
8 centage may be deducted upon the written consent
9 of the employee.

10 (2) DUE PROCESS PROTECTIONS.—Collection
11 under this subsection shall be carried out in accord-
12 ance with procedures substantially equivalent to the
13 procedures required under section 3716(a) of title
14 31, United States Code.

15 (3) DEFINITIONS.—For the purpose of this
16 subsection:

17 (A) AGENCY.—The term “agency” has the
18 meaning that term has under section 101 of
19 title 31, United States Code.

20 (B) EMPLOYEE.—The term “employee”
21 means an individual employed in or under an
22 agency, including a member of any of the uni-
23 formed services. For purposes of this sub-
24 section, a member of one of the uniformed serv-
25 ices is an employee of that uniformed service.

1 (C) MEMBER; UNIFORMED SERVICE.—

2 Each of the terms “member” and “uniformed
3 service” has the meaning that term has in sec-
4 tion 101 of title 37, United States Code.

5 (d) DELAYED IMPLEMENTATION.—The Adminis-
6 trator may delay implementation of subsections (a) and
7 (c) by up to 5 years if the Administrator determines that
8 it is in the best interests of the United States to do so.

9 **SEC. 3. PREPAYMENT AUDITS OF TRANSPORTATION EX-**
10 **PENSES.**

11 (a) IN GENERAL.—(1) Section 3322 of title 31, Unit-
12 ed States Code, is amended in subsection (c) by inserting
13 after “classifications” the following: “if the Administrator
14 of General Services has determined that verification by a
15 prepayment audit conducted pursuant to section 3726(a)
16 of this title for a particular mode or modes of transpor-
17 tation, or for an agency or subagency, will not adequately
18 protect the interests of the Government”.

19 (2) Section 3528 of title 31, United States Code, is
20 amended—

21 (A) in subsection (a) by striking “and” after
22 the semicolon at the end of paragraph (3), by strik-
23 ing the period at the end of subsection (a)(4)(C) and
24 inserting “; and”, and by adding at the end the fol-
25 lowing new paragraph:

1 “(5) verifying transportation rates, freight clas-
2 sifications, and other information provided on a Gov-
3 ernment bill of lading or transportation request, un-
4 less the Administrator of General Services has deter-
5 mined that verification by a prepayment audit con-
6 ducted pursuant to section 3726(a) of this title for
7 a particular mode or modes of transportation, or for
8 an agency or subagency, will not adequately protect
9 the interests of the Government.”;

10 (B) in subsection (c)(1), by inserting after “de-
11 ductions” the following: “and the Administrator of
12 General Services has determined that verification by
13 a prepayment audit conducted pursuant to section
14 3726(a) of this title for a particular mode or modes
15 of transportation, or for an agency or subagency,
16 will not adequately protect the interests of the Gov-
17 ernment”; and

18 (C) in subsection (c)(2), by inserting after
19 “agreement” the following: “and the Administrator
20 of General Services has determined that verification
21 by a prepayment audit conducted pursuant to sec-
22 tion 3726(a) of this title for a particular mode or
23 modes of transportation, or for an agency or sub-
24 agency, will not adequately protect the interests of
25 the Government”.

1 (3) Section 3726 of title 31, United States Code, is
2 amended—

3 (A) by amending subsection (a) to read as fol-
4 lows:

5 “(a)(1) Each agency that receives a bill from a car-
6 rier or freight forwarder for transporting an individual or
7 property for the United States Government shall verify its
8 correctness (to include transportation rates, freight classi-
9 fications, or proper combinations thereof), using prepay-
10 ment audit, prior to payment in accordance with the re-
11 quirements of this section and regulations prescribed by
12 the Administrator of General Services.

13 “(2) The Administrator of General Services may ex-
14 empt bills, a particular mode or modes of transportation,
15 or an agency or subagency from a prepayment audit and
16 verification and in lieu thereof require a postpayment
17 audit, based on cost effectiveness, public interest, or other
18 factors the Administrator considers appropriate.

19 “(3) Expenses for prepayment audits shall be funded
20 by the agency’s appropriations used for the transportation
21 services.

22 “(4) The audit authority provided to agencies by this
23 section is subject to oversight by the Administrator.”;

1 (B) by redesignating subsections (b), (c), (d),
2 (e), (f), and (g) in order as subsections (d), (e), (f),
3 (g), (h), and (i), respectively;

4 (C) by inserting after subsection (a) the follow-
5 ing new subsections:

6 “(b) The Administrator may conduct pre- or
7 postpayment audits of transportation bills of any Federal
8 agency. The number and types of bills audited shall be
9 based on the Administrator’s judgment.

10 “(c)(1) The Administrator shall adjudicate transpor-
11 tation claims which cannot be resolved by the agency pro-
12 curing the transportation services, or the carrier or
13 freight-forwarder presenting the bill.

14 “(2) A claim under this section shall be allowed only
15 if it is received by the Administrator not later than 3 years
16 (excluding time of war) after the later of the following
17 dates:

18 “(A) The date of accrual of the claim.

19 “(B) The date payment for the transportation
20 is made.

21 “(C) The date a refund for an overpayment for
22 the transportation is made.

23 “(D) The date a deduction under subsection (d)
24 of this section is made.”;

1 (D) in subsection (f), as so redesignated, by
2 striking “subsection (e)” and inserting “subsection
3 (e)”, and by adding at the end the following new
4 sentence: “This reporting requirement expires De-
5 cember 31, 1998.”;

6 (E) in subsection (i)(1), as so redesignated, by
7 striking “subsection (a)” and inserting “subsection
8 (e)”; and

9 (F) by adding after subsection (i), as so redesi-
10 gnated, the following new subsection:

11 “(j) The Administrator of General Services may pro-
12 vide transportation audit and related technical assistance
13 services, on a reimbursable basis, to any other Federal en-
14 tity or to any other activity. Such reimbursements may
15 be credited to the appropriate revolving fund or appropria-
16 tion from which the expenses were incurred.”.

17 (b) EFFECTIVE DATE.—The amendments made by
18 this section shall become effective 18 months after the
19 date of enactment of this Act.

20 **SEC. 4. REIMBURSEMENT FOR TAXES ON MONEY RECEIVED**
21 **FOR TRAVEL EXPENSES.**

22 (a) IN GENERAL.—Title 5, United States Code, is
23 amended by inserting after section 5706b the following
24 new section:

1 **“§ 5706c. Reimbursement for taxes incurred on**
2 **money received for travel expenses**

3 “(a) Under regulations prescribed pursuant to section
4 5707 of this title, the head of an agency or department,
5 or his or her designee, may use appropriations or other
6 funds available to the agency for administrative expenses,
7 for the reimbursement of Federal, State, and local income
8 taxes incurred by an employee of the agency or by an em-
9 ployee and such employee’s spouse (if filing jointly), for
10 any travel or transportation reimbursement made to an
11 employee for which reimbursement or an allowance is pro-
12 vided.

13 “(b) Reimbursements under this section shall include
14 an amount equal to all income taxes for which the em-
15 ployee and spouse, as the case may be, would be liable
16 due to the reimbursement for the taxes referred to in sub-
17 section (a). In addition, reimbursements under this section
18 shall include penalties and interest, for the tax years 1993
19 and 1994 only, as a result of agencies failing to withhold
20 the appropriate amounts for tax liabilities of employees
21 affected by the change in the deductibility of travel ex-
22 penses made by Public Law 102–486.”.

23 (b) CLERICAL AMENDMENT.—The table of sections
24 at the beginning of chapter 57 of title 5, United States
25 Code, is amended by inserting after the item relating to
26 section 5706b the following new item:

“5706c. Reimbursement for taxes incurred on money received for travel expenses.”.

1 (c) EFFECTIVE DATE.—This section shall be effective
2 as of January 1, 1993.

3 **SEC. 5. AUTHORITY FOR TEST PROGRAMS.**

4 (a) TRAVEL EXPENSES TEST PROGRAMS.—Sub-
5 chapter I of chapter 57 of title 5, United States Code,
6 is amended by adding at the end the following new section:

7 **“§ 5710. Authority for travel expenses test programs**

8 “(a) Notwithstanding any other provision of this sub-
9 chapter, under a test program which the Administrator
10 of General Services determines to be in the interest of the
11 Government and approves, an agency may pay for a period
12 not to exceed 24 months any necessary travel expenses in
13 lieu of any payment otherwise authorized or required
14 under this subchapter. An agency shall include in any re-
15 quest to the Administrator for approval of such a test pro-
16 gram an analysis of the expected costs and benefits and
17 a set of criteria for evaluating the effectiveness of the pro-
18 gram.

19 “(b) The Administrator shall transmit a copy of any
20 test program approved by the Administrator under this
21 section to the appropriate committees of the Congress at
22 least 30 days before the effective date of the program.

23 “(c) An agency authorized to conduct a test program
24 under subsection (a) shall provide to the Administrator

1 and the appropriate committees of the Congress a report
2 on the results of the program no later than 3 months after
3 completion of the program.

4 “(d) No more than 10 test programs under this sec-
5 tion may be conducted simultaneously.

6 “(e) The authority to conduct test programs under
7 this section shall expire 7 years after the date of enact-
8 ment of the Travel and Transportation Reform Act of
9 1997.”.

10 (b) RELOCATION EXPENSES TEST PROGRAMS.—Sub-
11 chapter II of chapter 57 of title 5, United States Code,
12 is further amended by adding at the end the following new
13 section:

14 **“§ 5737. Authority for relocation expenses test pro-**
15 **grams**

16 “(a) Notwithstanding any other provision of this sub-
17 chapter, under a test program which the Administrator
18 of General Services determines to be in the interest of the
19 Government and approves, an agency may pay for a period
20 not to exceed 24 months any necessary relocation expenses
21 in lieu of any payment otherwise authorized or required
22 under this subchapter. An agency shall include in any re-
23 quest to the Administrator for approval of such a test pro-
24 gram an analysis of the expected costs and benefits and

1 a set of criteria for evaluating the effectiveness of the pro-
2 gram.

3 “(b) The Administrator shall transmit a copy of any
4 test program approved by the Administrator under this
5 section to the appropriate committees of the Congress at
6 least 30 days before the effective date of the program.

7 “(c) An agency authorized to conduct a test program
8 under subsection (a) shall provide to the Administrator
9 and the appropriate committees of the Congress a report
10 on the results of the program no later than 3 months after
11 completion of the program.

12 “(d) No more than 10 test programs under this sec-
13 tion may be conducted simultaneously.

14 “(e) The authority to conduct test programs under
15 this section shall expire 7 years after the date of enact-
16 ment of the Travel and Transportation Reform Act of
17 1997.”.

18 (c) CLERICAL AMENDMENTS.—The table of sections
19 for chapter 57 of title 5, United States Code, is further
20 amended by—

21 (1) inserting after the item relating to section
22 5709 the following new item:

“5710. Authority for travel expenses test programs.”;

23 and

- 1 (2) inserting after the item relating to section
- 2 5737 the following new item:

“5737. Authority for relocation expenses test programs.”.

