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

IN REPLY REFER TO: B-195652

December 24, 1980

[Claim for Reimbursement of Real Estate Expenses

Mr. H. William Menard
Director, Geological Survey
Department of the Interior
Reston, Virginia 22092

Dear Mr. Menard:

This is in response to your letter of September 2, 1980 (file reference EGS-Mail Stop 442), concerning our decision B-195652, April 1, 1980, on the claim of James C. Bowers, an employee of the U.S. Geological Survey. It is requested in your letter that Mr. Bowers' real estate expense disallowance in the amount of $2,727.75 be considered for settlement under the Meritorious Claims Act.

The Meritorious Claims Act provides that when a claim is filed in this Office that may not be lawfully adjusted by use of an appropriation theretofore made, but which claim in the judgment of the Comptroller General contains such elements of legal liability or equity as to be deserving of the consideration of Congress, it shall be submitted to the Congress with recommendations. The remedy is an extraordinary one and its use is limited to extraordinary circumstances.

The cases reported for the consideration of the Congress generally involve equitable circumstances of an unusual nature and which are unlikely to constitute a recurring problem, since to report to the Congress a particular case when similar equities exist or are likely to arise with respect to other claimants would constitute preferential treatment over others in similar circumstances.

Mr. Bowers' situation is not unique. As pointed out in the decision B-195652, April 1, 1980, at least three other cases have been considered in which the facts were very similar to the facts in Mr. Bowers' case. The "immediate family" requirement is statutory and although the state of the economy and particularly

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the real estate market may present hardships for employees who wish to buy or sell a home on transfer, if title to the property is held in the name of someone other than the employee or his immediate family, real estate expenses on either the purchase or sale of a residence will not be fully reimbursable to the employee under 5 U.S.C. § 5724a(a)(4) (1976) and the implementing regulations.

Therefore, we must advise you that Mr. Bowers' case is not one which may be reported to the Congress for its consideration under the Meritorious Claims Act.

We are not unmindful of the hardship that presently exists for an employee who is relocated to a new duty station and wishes to sell his home at the old duty station and buy another home at the new duty station. The present high real estate costs and high interest rates on mortgages which are expected to continue will create a hardship for relocated employees for the foreseeable future. In this connection we are suggesting to the General Services Administration that in connection with its present review of various aspects of relocation benefits a change be made in the Federal Travel Regulations. While this action will not give any relief to Mr. Bowers and others similarly situated on past relocations, it is hoped that either regulatory or statutory changes can be made which will provide the necessary relief for employees relocated in the future.

We appreciate your bringing this matter to our attention.

Sincerely yours,

Milton J. Socolar

For the Comptroller General
of the United States