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GENERAL SERVICES ADMINISTRATION

41 CFR Parts 301-51 and 301-70

[FTR Amendment 2016-01; FTR Case 2015-303; Docket NO. 2016-0005,
Sequence No. 1]

RIN 3090-AJ68

**Federal Travel Regulation; Optimal Use of the Government Contractor
Issued Travel Charge Card**

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

ACTION: Final rule.

SUMMARY: GSA is amending the Federal Travel Regulation
(FTR) by updating the exemptions from mandatory use of the
Government contractor-issued travel charge card to ensure
the card is used as often as practicable.

DATES: Effective: [Insert date of publication in the
Federal Register.]

Applicability: Federal agencies have until [Insert 60
days after date of publication in the Federal Register] to
apply this rule to their internal policies.

FOR FURTHER INFORMATION CONTACT: For clarification of
content, contact Mr. Cy Greenidge, Program Analyst, Office
of Government-wide Policy, at 202-219-2349. For more
information pertaining to status or publication schedules,
contact the Regulatory Secretariat (MVCB), 1800 F Street

NW., Washington, DC 20405, 202-501-4755. Please cite FTR Case 2015-303.

SUPPLEMENTARY INFORMATION:

A. Background

GSA published a proposed rule in the Federal Register on January 29, 2016 (81 FR 5007). That rule proposed amending the FTR to emphasize the need for agencies to maximize Government contractor-issued travel charge card rebates by increasing the use of the card. Additionally, this rule proposed updating the classes of official travel expenses and employees that are exempt from mandatory use of the Government contractor-issued travel charge card, with the goal of increasing the issuance and appropriate use of the cards by employees on official travel.

The public had 60 calendar days to comment on the proposed rule. GSA received six comments. Four comments applied to the proposed rule; however, one did not fall under the purview of this office, and the other was out-of-scope based upon the subject matter of the final rule. As a result of the applicable comments, GSA made changes to the rule, although these changes are not considered to be significant.

B. Analysis of Public Comments

Comment: Proposed paragraph 301-70.700(d) should be revised. It should begin with "If it is not in the interest of the Government to do so..."

Response: Upon reflection, GSA determined the proposed amendment to § 301-70.700 to be unnecessary, and therefore, it has been removed.

Comment: Federal agencies cannot verify/enforce that their travelers charge all official travel expenses to the Government travel charge card. As a result of this change in practice, verifying the charge card method of payment has become a more labor intensive/expensive process thus nullifying the benefits derived from generating additional travel charge card rebates.

Response: The purpose of this amendment is to increase the use of the Government contractor-issued travel charge card by limiting the number of exemptions, as opposed to verifying or enforcing that travelers actually use these cards. Section 301-70.700 already requires that employees, unless exempted, use the Government contractor-issued travel charge card for official travel expenses. Agencies should already have an established verification process in place. Thus, GSA will not change the language in the amendment based upon this comment.

Comment: I agree with the changes to § 301-51.2 because it requires more travelers to have and use the Government contractor-issued travel charge card. While §§ 301-70.700, 301-70.701, and 301-70.704 gives the agency a way to exempt employees with poor credit or high delinquency rates.

Response: Respondent is in agreement with the final rule. While GSA removed the proposed amendments to §§ 301-70.700 and 301-70.701 as unnecessary, agencies retain the authority to exempt any payment, person, type or class of payments, or type or class of agency personnel if the exemption is determined to be necessary in the interest of the agency.

Comment: In the FTR proposal, it is written: If an employee is deemed eligible for a Government contractor-issued travel charge card and is expected to travel, the card must be issued and activated within 60 days of the travel charge card eligibility date, as determined by the agency. The proposal does not state any actions to take if the account is not activated within 60 days. Will GSA be writing something in the FTR that will further clarify what actions should be taken if the cardholder does not activate the account within 60 days?

Response: Employees are required to activate the Government contractor-issued travel charge card when received. Agencies should develop internal policy addressing what actions to take if an employee fails to activate the card within 60 days of receipt. GSA has updated sections §§ 301-51.1 and 301-70.708 to address this comment.

Comment: Travel cards for official use can be better managed if bills go to a central office for approval and payment. This will also eliminate the massive misuse of the cards. Additionally, it will take the card holder out of the loop for late fees and potential impact on their credit scores.

Response: This comment is outside the scope of this rule, and as such, no change will be made to the language of the amendment based upon this comment.

Comment: Section 301-12.1 removes ATM fee as a miscellaneous travel expense and does not give agencies discretion to pay ATM fees as a miscellaneous expense. Section 300-70.200(h) implies that an agency or approving official can determine if the ATM fees can be paid as a separate miscellaneous expense, if warranted (e.g., forced gratuity or other incidental expenses, which may exhaust the allowance to cover the cost of ATM fees). Sections

301-12.1 and 300-70.200 are contradictory and need to be revised.

Response: This comment is outside the scope of this rule, and as such, no change will be made to the language of the amendment based upon this comment.

C. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct 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 equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. GSA has determined that this final rule is not a significant regulatory action is not subject to review under section 6(b) of Executive Order 12866. GSA has further determined that this final rule is not a major rule under 5 U.S.C. 804.

D. 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.

E. 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.

F. Small Business Regulatory Enforcement Fairness Act

This final rule is also exempt from Congressional review prescribed under 5 U.S.C. 801. This final rule is not a major rule under 5 U.S.C. 804.

List of Subjects in 41 CFR Parts 301-51 and 301-70

Government employees, Travel and transportation expenses; Paying Travel Expenses, Internal Policy and Procedure Requirements.

Dated: August 3, 2016.

Denise Turner Roth,
Administrator of General Services.

For the reasons set forth in the preamble, pursuant to 5 U.S.C. 5701-5711, GSA amends 41 CFR parts 301-51 and 301-70 as set forth below:

PART 301-51-PAYING TRAVEL EXPENSES

1. The authority citation for 41 CFR part 301-51 continues to read as follows:

Authority: 5 U.S.C. 5707. Subpart A is issued under the authority of Sec. 2, Pub. L. 105-264, 112 Stat. 2350 (5 U.S.C. 5701 note); 40 U.S.C. 121(c).

2. Revise § 301-51.1 to read as follows:

§301-51.1 How must I use the Government contractor-issued travel charge card?

You are required to activate the Government contractor-issued travel charge card once you receive it, and then use it as the method of payment for all official travel expenses unless exempted under § 301-51.2.

3. Revise § 301-51.2 to read as follows:

§301-51.2 Are there any official travel expenses that are exempt from the mandatory use of the Government contractor-issued travel charge card?

Expenses for which payment through the Government contractor-issued travel charge card is impractical (e.g., vendor does not accept credit cards) or imposes unreasonable burdens or costs (e.g., fees are charged for

using the card) are exempt from use of the travel charge card. Your agency may also exempt an official travel expense when it is necessary in the interest of the agency (see § 301-51.4).

§§ 301-51.3 through 301-51.8 [Redesignated as §§ 301-51.4 through 301-51.9]

4. Redesignate §§ 301-51.3 through 301-51.8 as §§ 301-51.4 through 301-51.9, respectively.

5. Add a new § 301-51.3 to read as follows:

§301-51.3 What classes of employees are exempt from mandatory use of the Government contractor-issued travel charge card?

The Administrator of General Services exempts the following classes of employees from mandatory use of the Government contractor-issued travel charge card:

(a) Any employee who has an application pending for the Government contractor-issued travel charge card;

(b) Any employee, when issuance of the Government contractor-issued travel charge card would adversely affect the mission or put the employee at risk; and

(c) Any employee who is not eligible to receive a Government contractor-issued travel charge card.

§ 301-51.6 [Amended]

6. In the newly designated § 301-51.6, after paragraph (c), revise the heading of the note to read "Note to § 301-51.6".

PART 301-70—INTERNAL POLICY AND PROCEDURE REQUIREMENTS

7. The authority citation for 41 CFR part 301-70 continues to read as follows:

Authority: 5 U.S.C. 5707; 40 U.S.C. 121(c); Sec. 2, Pub. L. 105-264, 112 Stat. 2350 (5 U.S.C. 5701, note), OMB Circular No. A-126, revised May 22, 1992, and OMB Circular No. A-123, Appendix B, revised January 15, 2009.

§301-70.702 [Amended]

8. Amend § 301-70.702 by removing "MTT" and adding "MAE" in its place.

9. Revise § 301-70.704 to read as follows:

§301-70.704 What classes of employees are exempt from mandatory use of the Government contractor-issued travel charge card?

The Administrator of General Services exempts the following classes of employees from mandatory use of the Government contractor-issued travel charge card:

(a) Any employee who has an application pending for the Government contractor-issued travel charge card;

(b) Any employee, when issuance of the Government contractor-issued travel charge card would adversely affect the mission or put the employee at risk; and

(c) Any employee who is not eligible to receive a Government contractor-issued travel charge card.

10. Revise § 301-70.708 to read as follows:

§301-70.708 What actions may we take if an employee fails to activate the Government contractor-issued travel charge card and/or misuses the travel charge card?

Internal agency policies and procedures should be established defining what are considered to be misuses of the Government contractor-issued travel charge card. Appropriate action may be taken pursuant to those policies if an employee fails to activate the Government contractor-issued travel charge card within 60 days of receipt or misuses the travel charge card.

[Billing Code 6820-14]

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