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GAO

United States General Accounting Office
Washington, DC 20548

Office of
General Counsel

In Reply
Refer to: B-201569

February 10, 1981

Mr. Roger Lewis
Vice-Chairman
Navajo & Hopi Indian Relocation
Commission
2717 N. Steves Boulevard
Building A
Flagstaff, Arizona 86001

Dear Mr. Lewis:

By letter of December 15, 1980, you requested our general views concerning the possible use of travel agents by the Navajo & Hopi Indian Relocation Commission (Commission). You state that the Commission is a small independent Federal agency whose members and staff must travel to Washington frequently to carry out responsibilities mandated by the Congress. Additional travel to regional Federal offices in San Francisco and other interstate travel are anticipated because of recent legislation delegating further responsibilities to the Commission. You also state that your staff has advised you that the Commission cannot use a travel agent in an effort to obtain reduced rate travel, such as air fares, to economize. You ask what are the legal or regulatory impediments to the use of travel agents by Federal agencies.

The current prohibition against the use of travel agents for procuring official Government travel is contained in regulations of the General Accounting Office (GAO), 4 C.F.R. 52.3(a) (1980).

However, we issued a circular letter, dated August 20, 1979 (copy enclosed), to the heads of all Government agencies and departments stating our willingness to lift the ban for individual agencies on the basis of analyses that adequately demonstrate economies to be achieved or to allow tests of the use of travel agents for the purpose of demonstrating whether savings and efficiencies will result.

As the circular indicates, any Federal agency may submit a plan to this Office which provides reasonable evidence that permitting the use of travel agents will result in a more



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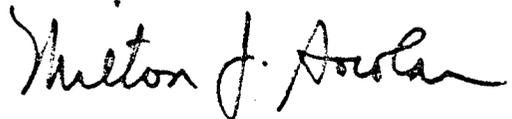
efficient and less costly travel operation. In this way, we expect that travel agents will now have the opportunity to participate in the Government travel market and to demonstrate that use of travel agents will be beneficial to the Government. Thus, the Commission, in its discretion, can consider the use of travel agents and submit a plan to GAO requesting an exemption from our prohibition. We have granted exemptions for 1-year tests of travel agent use to the Department of Labor, the Department of State, and the National Credit Union Administration.

For your information, current regulations concerning Government Transportation Requests (GTR's), promulgated by the General Services Administration, state that passenger transportation services must be procured with a GTR with certain exceptions, and that such services generally must be procured directly from carriers consistent with GAO's travel agent regulations, 41 C.F.R. 101-41.203-1 (1980). Thus, our restrictions have been tied to the use of a GTR because of the GSA regulation. However, the use of a GTR is not mandated by our GAO travel agent prohibition and is a separate and distinct requirement for Government travel for which you may need to consult GSA if you contemplate a plan involving use of travel agents without use of a GTR.

Concerning the possible use of reduced or charter air fare by the Commission, the Federal Travel Regulations (FTR), paragraph 1-3.4(b), contain provisions relating to the use of reduced fares offered by the carriers and by the travel agents which, in effect, constitute exceptions to the general travel agent prohibition contained in 4 C.F.R. 52.3 (1980). This FTR provision authorizes use of travel agents to arrange group or charter travel to obtain reduced fares where an administrative determination is made, prior to the travel, that the use of the reduced fares will result in monetary savings to the Government and will not interfere with the conduct of official business. 47 Comp. Gen. 204 (1967); B-201429, December 30, 1980; B-201258, December 10, 1980 (copy enclosed).

If we can be of any further assistance, please let us know.

Sincerely yours,



Milton J. Socolar
General Counsel

Enclosures