TRANSMITTAL SLIP | **DATE** 2 ⬤ SEP 1983

TO: DDA

ROOM NO.	BUILDING

REMARKS:

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Registry

29 SEP 1983

30 SEP 1983

FROM:

ROOM NO.	BUILDING	EXTENSION

FORM NO. 241   REPLACES FORM 36-8 WHICH MAY BE USED.   (47)
1 FEB 55

STAT

DD/A REGISTRY
FILE: 30-2

OLL 83-2212/3
22 September 1983

MEMORANDUM FOR THE RECORD

SUBJECT: Fact-Finding Meeting with the General Services
             Administration (GSA) Concerning Domestic
             Relocation Issues

REFERENCE: OLL 83-2212, dated 13 September 1983,
             Subject, Domestic Relocation Allowance

SUMMARY: Office of Personnel and Office of Legislative
Liaison met with the GSA official responsible for drafting
new legislation to resolve severe financial hardships being
experienced by all Federal employees who are transferred PCS
domestically. OMB has found fault with the draft bill and
has returned it to GSA for rewrite. Information from
several sources suggests that OMB will not clear the bill
because of the significant adverse impact (+/- $200 million)
it would have on the Federal budget if ultimately enacted.

        1. On 20 September 1983,   Deputy   STAT
Director of Personnel   and I, met with   SIAI
Mr. William McDade, Deputy Director of Transportation for
the General Services Administration. Mr. McDade is the GSA
official responsible for the preparation of draft legislation
"Federal Employees' Relocation Allowances Reform Act of
1983," and indicated a willingness to brief us on the
current status of the above-stated draft bill that addresses
the Agency's domestic PCS relocation dilemma.

        2. Mr. McDade stated that the Office of Management and
Budget (OMB) had completed its review of the GSA-drafted
legislation and characterized the submitted views as
"innovative, constructive and useful, refreshingly flexible,
but...." The "but..." involved wide-spread concern over the
provision that required that individual employees
"negotiate" their domestic PCS transfer allowances with the
management of their agency. In addition to widespread
individual agency concerns with this provision (Section
5722), OMB claims to see this as a union-bargaining rights

issue with the potential for a flood of employee grievance claims over "not getting enough money through negotiation with management." OMB has tasked OPM with reviewing this concern, from both perspectives, and collaborating with OMB's labor union negotiation group.

3. Mr. McDade stated that GSA will regroup with OPM and OMB personnel, as directed, with a view towards rewriting the draft legislation to solve the "negotiation" concern without otherwise adversely impacting the flexibility afforded individual agencies and departments in implementing the bill. Failing this, he feels GSA's only recourse is to go back to their historical incremental approach to existing allowances. Mr. McDade believes that by mid-October 1983 his review and rewrite will be back to the Administrator (Mr. Gerald Carmen) and OMB again for yet another review. Mr. McDade states that while Mr. Carmen is supportive of the bill, OMB is not at all supportive--for a simple reason. This bill, or something similar, would have an adverse affect on the Federal budget (and budget deficit) to the tune of some $200 million or so, and this is simply not acceptable. Therefore, this proposed legislative solution will not be cleared by OMB.

4. In response to our inquiry, Mr. McDade responded that the only way agencies and departments could weigh in on this was to contact either OMB or Mr. Carmen. While this may ultimately be appropriate, my sense is that we should await the results of current efforts to fix OMB's concerns and see what OMB next objects to. [   ] and I will   STAT
stay in tune with this issue and act accordingly.

                                                              STAT

                    Liaison Division
                Office of Legislative Liaison

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D/OLL:[   ] (28 September 1983)   STAT

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