

**Department of Personnel Administration  
Memorandum**

**TO: Personnel Management Liaisons (PML)**

<b>SUBJECT:</b> Travel and Relocation Programs - Travel Premiums	<b>REFERENCE NUMBER:</b> 2005-051
<b>DATE ISSUED:</b> 11/29/05	<b>SUPERSEDES:</b> 2005-046 and 94-76

This memorandum should be forwarded to:

**Accounting Officers  
Budget Officers  
Claims Coordinators  
Employee Benefit Officers  
Personnel Officers  
Personnel Transactions Staff  
Personnel Transactions Supervisors  
Travel and Relocation Liaisons**

**FROM:** Department of Personnel Administration  
Benefits Division

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Beginning December 1, 2005, employees who earn travel premiums (Frequent Flier Miles/Points) while traveling on official State business may now use these travel premiums for their personal use.

This change in policy is because:

- Federal Government policy (Federal Travel Regulation, Section 301-53.2) allows Federal employees the right to use travel premiums as they wish.
- The IRS does not view travel premiums as a fringe benefit/income, therefore, there are no tax implications associated with personally receiving/using these premiums.
- It is not practical or cost effective to track or monitor the personal use of travel premiums.

DPA will continue to follow the IRS and Federal Government rules related to this issue. Future Federal policy changes may require a change to State policy. Departments that currently have programs in place which require employees to return these premiums to the State for future use may continue to do so.

If you have questions or need assistance with this subject, please contact Ray Asbell at the phone number or email address listed above.

/s/Debbie Endsley

Debbie Endsley, Chief  
Benefits Division