051502. Personally Procured HHG Transportation

A Service member or, in the event of a Service member’s death, the next of kin can personally arrange HHG transportation and NTS. See [par. 051502-G](#p051502G) for personally procured move (PPM) travel advance eligibility.

A. Responsibilities. The Service member or next of kin, when appropriate, who personally arranges for HHG transportation without going through a Government transportation office is responsible for all issues and costs related to any of the following:

1. The Status of Force Agreement (SOFA) if the transportation is to or from a location OCONUS.

2. The use of U.S. flag carriers, import and export processes, tariffs, customs, and if Service regulations require their use, any available Voluntary Inter-modal Sealift Agreement ship carriers.

3. HHG transportation costs paid by a third party. The Service member or next of kin is not reimbursed for costs paid by a third party.

B. Government Transportation Office not Available. When the Service member personally arranges HHG transportation or NTS because either a Transportation Office is not available or a Transportation Officer instructs the Service member in writing to arrange transportation or storage at personal expense, reimbursement is authorized as follows:

1. The actual cost of shipment up to 100% of the maximum allowable weight allowance, not including special routing and services in [par. 051306-E](#p051306E).

2. The cost of a direct hire or rental cost of transportation, with or without an operator, not including special routing and services in [par. 051306-E](#p051306E).

C. Government-Procured Transportation is Available but not Used. When Government-procured HHG transportation and NTS is available, but the Service member or next of kin, when appropriate, chooses to personally arrange transportation, there are two reimbursement methods.

1. Actual Expense Method

a. The actual expense method is when the actual cost of the shipment is reimbursed. Reimbursement is limited to the Government’s constructed “Best Value” cost for the actual HHG weight transported, up to the Service member’s maximum authorized HHG weight allowance.

b. SIT and any small-package service arrangements are also reimbursed at the actual cost incurred, limited to the Government’s constructed cost for the weight of items stored or transported.

2. Monetary Allowance Method. The second method is the monetary allowance method, also referred to as the PPM. Under this method, the Service member or next of kin, as appropriate, receives payment of a monetary allowance equal to 100% of the Government’s constructed “Best Value” cost for the actual HHG weight transported up to the Service member’s maximum authorized weight allowance. Regardless of the actual cost of the HHG shipment, a Service member receives 100% of the “Best Value,” even when the actual cost of the HHG shipment is less than or equal to 100% of the Government’s “Best Value,” the Service member is authorized payment of 100% of the “Best Value.” If the Service member’s actual costs are more than the 100% that this method allows, the reimbursement may be paid under the Actual Expense Method. See the Internal Revenue Service’s rules on the potential tax impacts. From May 26, 2020 through December 31, 2020,Service members are temporarily authorized a monetary allowance that is equal to 100% of the Government’s “Best Value” for PPMs under this paragraph’s authority.

D. Determining Weight. The weight of HHG transported is normally established with certified weight certificates from a public weigh master or Government scales. The public weigh master is the person who issues the weight certificates. The net weight, or the Service member’s authorized weight allowance, whichever is less, is used to determine the Government’s constructed cost.

1. Using a constructed weight of 7 pounds per cubic foot may be authorized or approved through the Secretarial Process when weight certificates are not available due to one of the following reasons:

a. A public scale or Government scale was not available.

b. The HHG was moved commercially and the carrier or contractor was paid for the move on a basis other than weight.

2. When the carrier or contractor constructs the weight, the carrier or contractor may be requested to substantiate the reasonableness of the constructed weight. If the constructed weight is unreasonable, then the Service may base reimbursement on a reasonable weight.

E. Government’s Constructed Cost (GCC). The Armed Forces and NOAA use different factors in computing the GCC for HHG transportation than does the USPHS.

1. For the Armed Forces and NOAA, the GCC is determined by using the “Best Value” methodology for the channel and the actual HHG weight up to the Service member’s authorized maximum HHG weight as follows:

a. For shipments within the CONUS, between the CONUS and Alaska, and within Alaska (called domestic shipments), the GCC includes the following “Best Value” charges:

(1) Line haul, packing, and unpacking.

(2) Line haul factor charges at the origin and destination.

(3) Short-haul charges for shipments moving 800 or fewer miles.

b. For international shipments, which include shipments to or from Hawaii and to or from U.S. territories and possessions, the GCC includes the “Best Value” “Surface” Single Factor Rate (SFR).

c. Payment of accessorial charges may only be authorized or approved when charges would have been authorized during a Government-arranged move and all applicable tariff approval rules have been met. For details on how “Best Value” costs are determined, see [DTR 4500.9-R, Part IV, Chapter 403](https://www.ustranscom.mil/dtr/part-iv/dtr_part_iv_403.pdf) (Best Value).

d. For the USPHS, the GCC:

(1) In the CONUS is determined by using the lowest applicable tariff rate plus the applicable packing allowance rate, and then multiplying that sum by the actual HHG weight, which is limited to the Service member’s authorized maximum HHG weight. The USPHS may select an alternate method when appropriate.

(2) To, from, or between locations OCONUS is constructed using the Single Factor Rate or other method selected by USPHS.

F. Final Settlement. Final settlement for reimbursement of personally procured transportation, regardless of the transportation method, is based on the GCC of the actual weight moved, limited to the authorized PCS weight allowance. Submit certified weight certificates or an acceptable constructed HHG weight with the claim for reimbursement. The Government cannot incur moving expenses for HHG that is more than 100% of the Government’s projected cost to transport the HHG commercially. Service members or dependents using the same POV for traveling and PPM are authorized both a PPM monetary allowance and MALT Plus as separate allowances.

G. Advance of Funds. Advance payment is authorized for personally procured HHG transportation depending on the type of move the Service member chooses. An advance payment is authorized for any of the following:

1. The constructed expenses for transportation arranged when Government-procured HHG transportation or NTS is not available.

2. The constructed expenses, limited to the Government’s maximum obligation, for transportation arranged when Government-procured transportation and NTS is available but the Service member personally procures the HHG transportation and elects actual expense reimbursement.

3. An amount equal to 60% of the PPM monetary allowance when the Service member chooses the PPM monetary allowance. Under the PPM monetary allowance, the Service member or next of kin, as appropriate, receives payment of an amount equal to 100% of the Government’s constructed “Best Value” cost for the actual HHG weight transported up to the Service member’s maximum authorized weight allowance.