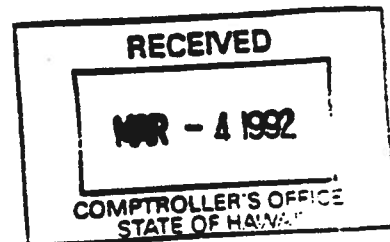


STATE ETHICS COMMISSION

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March 3, 1992

MEMORANDUM TO: All State Agency and Department Heads
FROM: The State Ethics Commission
SUBJECT: Use of Frequent Flyer Credits by State Officials and Employees



Recently, questions have arisen about the use of frequent flyer credits by state officials and employees who travel on government business. These credits are used for seating upgrades, discounted air fares, free airline tickets, discounted hotel room rates, and other benefits. It has been reported by the media that these frequent flyer credits are often kept by state officials for personal use.

In 1988, the State Ethics Commission issued an advisory opinion to State Comptroller Russel Nagata regarding the use of frequent flyer travel benefits accrued on state travel. In that opinion, the Commission held as follows:

1. That transferable travel benefits accrued on state travel must either be used for subsequent state travel by the employee who accrued the benefits or must be transferred to another state employee for state business;
2. That non-transferable travel benefits accrued on state travel must also, where at all possible, be used for state business; and
3. That if it appears that frequent flyer benefits will not or cannot be used for a future state purpose, state employees may use the benefits for personal travel without contravening the State Ethics Code provided the State has adopted a policy to this effect. Absent such a state policy, travel benefits accrued on state travel cannot be used for personal travel.

The Commission also noted in its advisory opinion that state employees who misuse travel privileges, at state expense, in order to accumulate benefits for their personal use may be in violation of the State Ethics Code.

A copy of the Commission's advisory opinion, Advisory Opinion No. 88-9, is enclosed for your information.

The Commission is informed that the State Department of Accounting and General Services currently is working on a policy governing the use of nontransferable travel benefits accrued from state travel. State employees are reminded that in the absence of a state policy