



DEPARTMENT OF THE ARMY
HEADQUARTERS, EIGHTH UNITED STATES ARMY
UNIT #15236
APO AP 96205-0009

REPLY TO
ATTENTION OF:

EACG

30 JAN 2006

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Living Quarters Allowance (LQA) Determinations on Management Directed Reassignment of Locally Hired Employees not Currently Receiving LQA

1. References:

- a. Department of Defense Civilian Personnel Manual 1400.25-M, Subchapter 1250, Overseas Allowances and Differentials.
- b. Department of State Standardized Regulations, Section 031.12c, Employees Recruited Outside the United States.

2. This memorandum establishes policy regarding the authorization of Living Quarters Allowance (LQA) for employees not currently in receipt of LQA who are relocated to other areas on the Korean peninsula due to implementation of the United States Forces Korea Land Partnership Plan (LPP), Yongsan Relocation Plan, Eighth Army reorganization and other USFK transformation initiatives. To ensure consistency in policies on the granting of LQA to Army employees in the above situations, this policy is applicable to all Army organizations on the Korean Peninsula.

3. Reference 1a allows for the grant of LQA under the authority in reference 1b to employees recruited outside the United States, if the employee was required to move to another area as a condition of employment. In accordance with DoD policy in reference 1a, LQA is intended to be a recruitment incentive for U.S. citizen civilian employees living in the United States to encourage them to accept Federal employment in a foreign area. When a person already resides in a foreign area without LQA benefits, the inducement of LQA is not necessary. Therefore, LQA is not an entitlement but an incentive to be used at the discretion of the command when considered necessary to recruit employees living in the United States for employment in a foreign area. Individuals authorized to grant LQA to an employee shall consider the recruitment need, along with the expense the activity will incur prior to approval, and shall not automatically be authorized these benefits simply because the individual meets eligibility requirements.

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4. Effective immediately, as the Army Service Component Commander, I am establishing the policy that employees not currently in receipt of LQA, who are relocated to other areas on the Korean peninsula will not be granted LQA. It is estimated that for Eighth Army alone an additional \$3.9M annually would be expended if LQA were granted to these employees and, at a time when the Army, and this command, is experiencing severe budget reductions. Therefore, it is considered neither cost efficient nor in the best interest of the Army, or this command, to grant LQA to these employees.



CHARLES C. CAMPBELL
Lieutenant General, USA
Commanding

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