

**Calendar No. 337**

115TH CONGRESS }  
2d Session

SENATE

{ REPORT  
115-211

PRESIDENTIAL ALLOWANCE  
MODERNIZATION ACT OF 2017

—  
R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND  
GOVERNMENTAL AFFAIRS  
UNITED STATES SENATE

TO ACCOMPANY

S. 1791

TO AMEND THE ACT OF AUGUST 25, 1958, COMMONLY  
KNOWN AS THE "FORMER PRESIDENTS ACT OF 1958",  
WITH RESPECT TO THE MONETARY ALLOWANCE PAYABLE TO A  
FORMER PRESIDENT, AND FOR OTHER PURPOSES



FEBRUARY 26, 2018.—Ordered to be printed

—  
U.S. GOVERNMENT PUBLISHING OFFICE

79-010

WASHINGTON : 2018

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

RON JOHNSON, Wisconsin, *Chairman*

JOHN McCAIN, Arizona	CLAIRE McCASKILL, Missouri
ROB PORTMAN, Ohio	THOMAS R. CARPER, Delaware
RAND PAUL, Kentucky	HEIDI HEITKAMP, North Dakota
JAMES LANKFORD, Oklahoma	GARY C. PETERS, Michigan
MICHAEL B. ENZI, Wyoming	MAGGIE HASSAN, New Hampshire
JOHN HOEVEN, North Dakota	KAMALA D. HARRIS, California
STEVE DAINES, Montana	DOUG JONES, Alabama

CHRISTOPHER R. HIXON, *Staff Director*  
GABRIELLE D'ADAMO SINGER, *Chief Counsel*  
STEVEN G. LOZANO, *U.S. Government Accountability Office Detailee*  
MARGARET E. DAUM, *Minority Staff Director*  
STACIA M. CARDILLE, *Minority Chief Counsel*  
CHARLES A. MOSKOWITZ, *Minority Senior Legislative Counsel*  
KATHERINE C. SYBENGA, *Minority Senior Counsel*  
LAURA W. KILBRIDE, *Chief Clerk*

# Calendar No. 337

115TH CONGRESS }  
2d Session }

SENATE

{ REPORT  
{ 115-211

---

## PRESIDENTIAL ALLOWANCE MODERNIZATION ACT OF 2017

---

FEBRUARY 26, 2018.—Ordered to be printed

---

Mr. JOHNSON, from the Committee on Homeland Security and  
Governmental Affairs, submitted the following

### R E P O R T

[To accompany S. 1791]

[Including cost estimate of the Congressional Budget Office]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 1791) to amend the Act of August 25, 1958, commonly known as the “Former Presidents Act of 1958,” with respect to the monetary allowance payable to a former President, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

#### CONTENTS

	Page
I. Purpose and Summary .....	1
II. Background and Need for the Legislation .....	2
III. Legislative History .....	4
IV. Section-by-Section Analysis .....	4
V. Evaluation of Regulatory Impact .....	5
VI. Congressional Budget Office Cost Estimate .....	5
VII. Changes in Existing Law Made by the Bill, as Reported .....	9

#### I. PURPOSE AND SUMMARY

S. 1791, the Presidential Allowance Modernization Act of 2017, amends the Former Presidents Act of 1958 (FPA) to modernize the monetary allowances and pensions payable to former Presidents. Specifically, it revises provisions relating to presidential pensions to allow a former President a pension of \$200,000 and an additional monetary allowance per year for office space and staff to conduct his or her duties as a former President. However, if a former

President earned income exceeding \$400,000 in a taxable year, the bill reduces his or her monetary allowance by the amount that a former President's earned income in a taxable year exceeds \$400,000.

Additionally, S. 1791 would clarify that a widow or widower of a former President is eligible for a survivor's annuity, and would increase the annual annuity threshold from \$20,000 to \$100,000.<sup>1</sup>

## II. BACKGROUND AND NEED FOR LEGISLATION

Prior to 1958, former Presidents did not receive a pension or any other financial assistance from the Federal Government.<sup>2</sup> While some former Presidents returned to comfortable lives after leaving office, others, like President Harry S. Truman, struggled financially.<sup>3</sup> When the FPA was enacted in 1958, it was intended to maintain the dignity of the Office of the President<sup>4</sup> by providing former United States Presidents with "a pension, support staff, office support, travel funds, and mailing privileges" after they leave office.<sup>5</sup>

Under the FPA, a former President receives a pension that is equal to the annual pay of the head of an Executive department.<sup>6</sup> This amount was \$207,000 in fiscal year (FY) 2016 and increased to \$210,000 in FY 2017.<sup>7</sup> Additionally, the FPA provides an annual pension of \$20,000 to the widow of a former President.<sup>8</sup>

The FPA also requires Congress to appropriate funds, and the General Services Administration (GSA) to provide funds, to former Presidents to cover their staffing and office needs.<sup>9</sup> The statutory obligation arose from Congress's recognition that former Presidents should have funding to continue their required official business.

In FY 2017, Congress appropriated \$2,708,000 to GSA to cover the annual allowance of all five living former Presidents, which paid for staff compensation and benefits, travel costs, office space, communications, printing, office furniture, equipment, as well as supplies and materials. Of this appropriation, \$511,000 went toward office space rental for former President Bill Clinton and \$472,000 toward office space rental for former President George W. Bush.<sup>10</sup>

<sup>1</sup>In the 114th Congress, the Committee approved, and the Senate passed, H.R. 1777, the Presidential Allowance Modernization Act of 2016. The bill was approved by the House and the Senate, but vetoed by President Obama on July 22, 2016. The need for the legislation remains the same, and some details of the legislation have changed to address concerns raised by former Presidents. Accordingly, substantial portions of section 2 of this report have been drawn from Senate Report 114-271.

<sup>2</sup>Wendy Ginsberg & Daniel J. Richardson, Cong. Research Serv. RL34631, Former Presidents: Pensions, Office Allowances, and Other Federal Benefits 1 (2016) [hereinafter Cong. Research Serv., March 2016 Report], available at <https://fas.org/sgp/crs/misc/RL34631.pdf>.

<sup>3</sup>*Id.* at 1.

<sup>4</sup>S. Rep. No. 85-47, at 2 (1957).

<sup>5</sup>Cong. Research Serv., March 2016 Report, *supra* note 1 at Summary.

<sup>6</sup>3 U.S.C. § 102, *note*, Former Presidents; Allowance; Selection, Compensation, and Status of Office Staff; Office Space; Widow's Allowance, Termination; Former President Defined (referencing subsection (a)).

<sup>7</sup>Barbara L. Schwemle, Cong. Research Serv. IN10759, Allowances and Office Staff for Former Presidents, FY2016-FY2018 Appropriations (2017) [hereinafter Cong. Research Serv., August 2017 Insight], available at <https://fas.org/sgp/crs/misc/IN10759.pdf>.

<sup>8</sup>3 U.S.C. § 102, *note*, Former Presidents; Allowance; Selection, Compensation, and Status of Office Staff; Office Space; Widow's Allowance, Termination; "Former President" Defined (referencing subsection (e)).

<sup>9</sup>*Id.* (referencing subsections (b), (c), and (g)).

<sup>10</sup>Cong. Research Serv., August 2017 Insight at Tables 1-2.

In addition to the FPA, the Presidential Transition Act provides an outgoing President with seven months of transition services, and Federal law requires that former Presidents and their spouses (and children under the age of 16) receive lifetime Secret Service protection.<sup>11</sup>

Some critics of the FPA say that the statute subsidizes former Presidents who do not struggle financially.<sup>12</sup> President Clinton and President George W. Bush have reportedly earned millions since leaving office, with President Clinton earning more than \$100 million between 2001 and 2013,<sup>13</sup> and President George W. Bush earning at least \$15 million for paid speeches in the first two years after he left office in 2009.<sup>14</sup> In addition to speaking fees, both of those former Presidents have reportedly benefited from book deals: President Clinton reportedly received a \$15 million advance for his 2004 memoir<sup>15</sup> and President George W. Bush reportedly was paid \$7 million for his memoir.<sup>16</sup>

In recognition of the changed circumstances since President Truman left office, S. 1791 would modify the amount provided by the Federal Government to former Presidents. S. 1791 would set the annual pension for a former President at \$200,000 as well as provide an annual monetary allowance of up to \$500,000 for office expenses. Both the pension and the annual monetary allowance would be subject to cost-of-living increases as provided under title II of the Social Security Act. However, unlike the FPA, S. 1791 would cap the annual monetary allowance at \$500,000 as well as gradually reduce the amount over a 10-year time period. For the first five years the monetary allowance will remain at \$500,000 per year after which it would be reduced to \$350,000 per year for the next five years and \$250,000 per year thereafter. The monetary allowance will also be reduced by the amount that a former President's earned income exceeds \$400,000 per year. The payment of the monetary allowance begins on the day after the date on which the individual becomes a former President.

S. 1791 also increases the pension provided to a widow or widower of a former President—an amount that has gone unchanged since the original legislation was enacted in 1958—increasing the annual annuity from \$20,000 to \$100,000.

The Presidential Allowance Modernization Act of 2017 ensures that the Secret Service will work with GSA to determine the amount of the allowance needed to pay for the increased cost of doing business that is attributable to the security needs of the former President.

<sup>11</sup> Cong. Research Serv., March 2016 Report, *supra* note 1 at 1–2 (citing 3 U.S.C. § 102, *note*).

<sup>12</sup> Cong. Research Serv., March 2016 Report, *supra* note 1 at 3.

<sup>13</sup> P. Rucker, T. Hamburger, & A. Becker, *How the Clintons went from 'dead broke' to rich: Bill earned \$104.9 million for speeches*, Wash. Post, June 26, 2014, [https://www.washingtonpost.com/politics/how-the-clintons-went-from-dead-broke-to-rich-bill-earned-1049-million-for-speeches/2014/06/26/8fa0b372-fd3a-11e3-8176-f2c941cf35f1\\_story.html](https://www.washingtonpost.com/politics/how-the-clintons-went-from-dead-broke-to-rich-bill-earned-1049-million-for-speeches/2014/06/26/8fa0b372-fd3a-11e3-8176-f2c941cf35f1_story.html).

<sup>14</sup> Jennifer Epstein, *Bush Made \$15M on speaking circuit*, Politico, May 21, 2011, <http://www.politico.com/news/stories/0511/55372.html>.

<sup>15</sup> Mike McIntire, *Clintons Made \$109 Million in Last 8 Years*, N. Y. Times, April 5, 2008, <http://www.nytimes.com/2008/04/05/us/politics/05clintons.html>.

<sup>16</sup> Lynn Sherr, *George W. Bush Lands \$7 Million Book Deal*, The Daily Beast (March 19, 2009, 3:06 AM), <https://www.thedailybeast.com/george-w-bush-lands-dollar7-million-book-deal>.

### III. LEGISLATIVE HISTORY

S. 1791, the Presidential Allowance Modernization Act of 2017, was introduced on September 12, 2017, by Senator Joni Ernst and was referred to the Committee on Homeland Security and Governmental Affairs. S. 1791 was cosponsored by Senators Michael Enzi, Deb Fischer, and Claire McCaskill.

The Committee considered S. 1791 at an October 4, 2017 business meeting. The Committee ordered the bill reported favorably by voice vote, *en bloc*, without amendment. Senators present for the vote were Johnson, Lankford, Daines, McCaskill, Tester, Heitkamp, Hassan, and Harris.

### IV. SECTION-BY-SECTION ANALYSIS OF THE BILL, AS REPORTED

#### *Section 1. Short title*

This section establishes the short title of the bill as the “Presidential Allowance Modernization Act of 2017.”

#### *Section 2. Amendments*

This section sets the annuity of former Presidents at \$200,000 per year, plus the annual Social Security cost-of-living adjustment, and an additional monetary allowance of \$500,000 per year that is also subject to a Social Security cost-of-living adjustment. Both the annuity and the monetary allowance begin on the day after the date on which an individual becomes a former President.

The amount of the monetary allowance will remain at \$500,000 per year for five years, after which it will be reduced to \$350,000 per year for the next five years and \$250,000 per year thereafter. It sets confidentiality requirements to ensure the privacy of former Presidents. It ensures that the Secret Service is consulted on security costs to determine the amount of the monetary allowance that is necessary to pay the increased cost of doing business that is attributable to the security needs of the former President.

This section also outlines the duration, frequency, and limitations of both the annuity and monetary allowance. Among these limitations are that a former President is not eligible to collect the annuity and monetary allowance when serving in an appointive or elective office in the Federal Government. Additionally, the section limits the monetary allowance provided to a former President based on his or her yearly earned income. If a former President’s earned income, as defined in the Internal Revenue Code of 1986, exceeds \$400,000 within any 12-month period, the monetary allowance is reduced dollar-for-dollar by the amount exceeding \$400,000.

Former Presidents are permitted to hire an office staff of no more than 13 individuals, who are compensated by GSA on a reimbursable basis. Likewise, GSA is responsible for providing office space, furnishing, and equipment for former Presidents on a reimbursable basis.

This section also increases the pension for the surviving spouse of a former President from \$20,000 a year to \$100,000 annually, taking into account annual cost-of-living increases equal to those provided under the Social Security Act and includes a technical correction to make the recipient of such pension gender neutral.

*Section 3. Rule of construction*

This section clarifies and affirms that nothing in the legislation alters the funding of the security or protection of a former President or funding for any office space lease in effect of the day before the enactment of the legislation.

*Section 4. Transition rules*

This section sets rules for implementing this legislation with respect to currently qualifying former Presidents and their widows or widowers. The legislation applies retroactively to former Presidents and any individual who is a widow or widower of a former President beginning 180 days after the enactment of this bill.

*Section 5. Applicability*

This section makes clear that the new reduction in monetary allowance should not apply to current former Presidents in such a way as to make the former President break or have trouble paying a current lease.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill and determined that the bill will have no regulatory impact within the meaning of the rules. The Committee agrees with the Congressional Budget Office's statement that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

FEBRUARY 12, 2018.

Hon. RON JOHNSON,  
*Chairman, Committee on Homeland Security and Governmental Affairs, U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1791, the Presidential Allowance Modernization Act of 2017.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Dan Ready.

Sincerely,

KEITH HALL,  
*Director.*

Enclosure.

*S. 1791—Presidential Allowance Modernization Act of 2017*

Summary: Under current law, former Presidents receive annual pensions that equal a Cabinet Secretary's basic pay (about \$211,000 in 2018); the annual pension for a President's surviving spouse is set at \$20,000. Current law also provides former Presidents with annual allowances to pay for staff, office space, and other related expenses.

S. 1791 would decrease former Presidents' pensions to \$200,000 per year but would increase the pension of a surviving spouse to \$100,000. Both pensions would be indexed to inflation. For the first 10 years after leaving office, a former President would receive a \$500,000 annual expense allowance (also indexed to inflation) that would be reduced by \$1 for every dollar over \$400,000 earned the year before; the allowance would eventually drop to \$250,000 by the end of 10 years.

CBO estimates that implementing the bill would reduce discretionary spending by \$24 million over the 2018–2027 period, assuming that appropriations are reduced by the estimated amounts. In addition, enacting the bill would increase direct spending by \$1 million. Because enacting S. 1791 would affect direct spending, pay-as-you-go procedures apply. Enacting the bill would not affect revenues.

CBO estimates that enacting S. 1791 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

By decreasing the pensions of former Presidents, S. 1791 would impose a private-sector mandate, as defined in the Unfunded Mandates Reform Act (UMRA). The cost of complying with the mandate would be the total decrease in pension income earned by former Presidents (who left office before enactment of this bill) and would fall well below the annual threshold established in UMRA for private-sector mandates (\$156 million in 2017, adjusted annually for inflation). S. 1791 contains no intergovernmental mandates.

Estimated cost to the Federal Government: The estimated budgetary effect of S. 1791 is shown in the following table. The budgetary effects fall within budget function 800 (general government).

By fiscal year, in millions of dollars—												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018– 2022	2018– 2027
DECREASES IN SPENDING SUBJECT TO APPROPRIATION												
Estimated Authorization Level .....	*	-1	-2	-2	-3	-3	-3	-3	-4	-4	-9	-27
Estimated Outlays .....	*	-1	-2	-2	-3	-3	-3	-3	-4	-4	-8	-24
INCREASES OR DECREASES (–) IN DIRECT SPENDING												
Estimated Budget Authority	*	*	*	*	*	*	*	*	*	*	1	1
Estimated Outlays .....	*	*	*	*	*	*	*	*	*	*	1	1

\* = between –\$500,000 and \$500,000. Components may not sum to totals because of rounding.

**Basis of estimate:** For this estimate, CBO assumes that S. 1791 will be enacted near the beginning of calendar year 2018 and that future appropriations for the affected activities will be reduced by the amount of the estimated savings.

#### *Spending subject to appropriation*

Under current law, the General Services Administration (GSA) is authorized to provide office staff, office space, and equipment to former Presidents. Those activities are funded by annual appropriations. S. 1791 would prevent GSA from paying for those activities from annual appropriations and would instead require former Presidents to directly fund their own staff, space, and equipment. (GSA, however, could still pay for the current leases of former Presidents until those leases expired.) CBO estimates that imple-



menting this provision would reduce outlays by \$24 million over the next 10 years.

*Direct spending*

S. 1791 would reduce annual pensions for former Presidents, increase pensions for their surviving spouses, and entitle former Presidents to a nominal allowance. Taken together, the provisions would increase direct spending by \$1 million over the 2018–2027 period. Over time, the effect of smaller pensions would offset a larger portion of the allowances that are paid as direct spending. CBO estimates that enacting the bill would slightly reduce direct spending in the final years of the budget window.

**Presidential Pensions.** Under the bill, the annual pensions provided to former Presidents would initially drop by about \$11,000 to \$200,000. A surviving spouse's pension would increase from \$20,000 to \$100,000. Both of those annual amounts would be indexed to inflation. Taken together, those provisions would reduce spending for pensions by less than \$500,000 over the next 10 years, CBO estimates. Although Presidential pensions are paid out of a discretionary appropriation, because former Presidents are entitled to receive those pensions, CBO considers them to be direct spending.

**Allowances for Former Presidents.** Under S. 1791, a former President's expense allowance would decline over time. The amount would be set at \$500,000 for recently retired Presidents and would eventually drop to \$250,000 after a President has been out of office for 10 years. Under the legislation, the maximum allowance would depend on the former President's earnings the year before and would be indexed to inflation. Using publicly available information about the income of former Presidents in recent years, CBO expects that beginning in 2018, at least three former Presidents would be ineligible to receive any allowance (other than for existing leases) under the legislation. As a result, implementing the bill would increase direct spending by less than \$500,000 in each year over the 2018–2027 period.

**Pay-As-You-Go considerations:** The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending and revenues. Enacting S. 1791 would affect direct spending by less than \$500,000 in each year over the next 10 years, and would increase direct spending by \$1 million over the 2018–2027 period.

**Increase in long-term direct spending and deficits:** CBO estimates that enacting S. 1791 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

**Mandates:** S. 1791 would impose a private-sector mandate, as defined in UMRA, by decreasing the pensions of former Presidents, about \$211,000 for calendar year 2018. The bill would reduce an earned benefit of former Presidents by decreasing their federal pension to \$200,000 per year, indexed to inflation. The cost of this mandate would be the total decrease in pension income earned by the former Presidents who left office before enactment of this bill and would fall well below the annual threshold established in UMRA for private-sector mandates (\$156 million in 2017, adjusted

annually for inflation). S. 1791 contains no intergovernmental mandates.

Previous CBO estimate: On November 13, 2017, CBO transmitted a cost estimate for H.R. 3739, as posted on the website of the House Committee on Oversight and Government Reform on November 10, 2017. Instead of entitling former Presidents to an allowance, enacting that version of H.R. 3739 would authorize the appropriation of an allowance up to the same maximums specified in S. 1791. CBO's cost estimates for both bills reflect that difference.

Estimate prepared by: Federal costs: Dan Ready; Mandates: Andrew Laughlin.

Estimate approved by: H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

#### VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows: (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

### UNITED STATES CODE

\* \* \* \* \*

#### TITLE 3—THE PRESIDENT

\* \* \* \* \*

#### CHAPTER 2—OFFICE AND COMPENSATION OF THE PRESIDENT

\* \* \* \* \*

#### FORMER PRESIDENTS ACT OF 1958

\* \* \* \* \*

#### SEC. 102. COMPENSATION OF THE PRESIDENT

[(a) Each former President shall be entitled for the remainder of his life to receive from the United States a monetary allowance at a rate per annum, payable monthly by the Secretary of the Treasury, which is equal to the annual rate of basic pay, as in effect from time to time, of the head of an executive department, as defined in section 101 of title 5, United States Code. However, such allowance shall not be paid for any period during which such former President holds an appointive or elective office or position in or under the Federal Government or the government of the District of Columbia to which is attached a rate of pay other than a nominal rate.

[(b) The Administrator of General Services shall, without regard to the civil-service and classification laws, provide for each former President an office staff. Persons employed under this subsection shall be selected by the former President and shall be responsible only to him for the performance of their duties. Each former Presi-

dent shall fix basic rates of compensation for persons employed for him under this paragraph which in the aggregate shall not exceed \$96,000 per annum except that for the first 30-month period during which a former President is entitled to staff assistance under this subsection, such rates of compensation in the aggregate shall not exceed \$150,000 per annum. The annual rate of compensation payable to any such person shall not exceed the highest annual rate of basic pay now or hereafter provided by law for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code. Amounts provided for 'Allowances and Office Staff for Former Presidents' may be used to pay fees of an independent contractor who is not a member of the staff of the office of a former President for the review of Presidential records of a former President in connection with the transfer of such records to the National Archives and Records Administration or a Presidential Library without regard to the limitation on staff compensation set forth herein.

[(c) The Administrator of General Services shall furnish for each former President suitable office space appropriately furnished and equipped, as determined by the Administrator, at such place within the United States as the former President shall specify.

[(d) [Repealed. Pub. L. 86-682, §12(c), Sept. 2, 1960, 74 Stat. 730. See sections 3214 and 3216 of title 39.]]

(a) *IN GENERAL.*—*Each former President shall be entitled to receive from the United States—*

(1) *an annuity, subject to subsections (b) and (c)—*

(A) *at a rate of \$200,000 per year; and*

(B) *which shall commence on the day after the date on which an individual becomes a former President; and*

(2) *a monetary allowance, subject to subsections (b), (c) and (d), at the rate of—*

(A) *\$500,000 per year for 5 years beginning on the day after the last day of the period described in the first sentence of section 5 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note);*

(B) *\$350,000 per year for the 5 years following the 5-year period under subparagraph (A); and*

(C) *\$250,000 per year thereafter.*

(b) *DURATION; FREQUENCY.*—

(1) *IN GENERAL.*—*The annuity and monetary allowance under subsection (a) shall—*

(A) *terminate on the date that is 30 days after the date on which the former President dies; and*

(B) *be payable by the Secretary of the Treasury on a monthly basis.*

(2) *APPOINTIVE OR ELECTIVE POSITIONS.*—*The annuity and monetary allowance under subsection (a) shall not be payable for any period during which a former President holds an appointive or elective position in or under the Federal Government to which is attached a rate of pay other than a nominal rate.*

(c) *COST-OF-LIVING INCREASES.*—*Effective December 1 of each year, each annuity and allowance under subsection (a) that commenced before that date shall be increased by the same percentage by which benefit amounts under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased, effective as of that date, as a*

result of a determination under section 215(i) of that Act (42 U.S.C. 415(i)).

(d) **LIMITATION ON MONETARY ALLOWANCE.**—

(1) **IN GENERAL.**—Notwithstanding any other provision in this section, the monetary allowance payable under subsection (a)(2) to a former President for any 12-month period—

(A) except as provided in subparagraph (B), may not exceed the amount by which—

(i) the monetary allowance that (but for this subsection) would otherwise be so payable for such 12-month period; exceeds (if at all)

(ii) the applicable reduction amount for such 12-month period; and

(B) shall not be less than the amount determined under paragraph (4).

(2) **DEFINITION.**—

(A) **IN GENERAL.**—For purposes of paragraph (1), the term ‘applicable reduction amount’ means, with respect to any former President and in connection with any 12-month period, the amount by which—

(i) the sum of—

(I) the adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) of the former President for the most recent taxable year for which a tax return is available; and

(II) any interest excluded from the gross income of the former President under section 103 of such Code for such taxable year, exceeds (if at all)

(ii) \$400,000, subject to subparagraph (C).

(B) **JOINT RETURNS.**—In the case of a joint return, subparagraph (A)(i) shall be applied by taking into account both the amounts properly allocable to the former President and the amounts properly allocable to the spouse of the former President.

(C) **COST-OF-LIVING INCREASES.**—The dollar amount specified in subparagraph (A)(ii) shall be adjusted at the same time that, and by the same percentage by which, the monetary allowance of the former President is increased under subsection (c) (disregarding this subsection).

(3) **DISCLOSURE REQUIREMENT.**—

(A) **DEFINITIONS.**—In this paragraph—

(i) the terms “return” and “return information” have the meanings given those terms in section 6103(b) of the Internal Revenue Code of 1986; and

(ii) the term “Secretary” means the Secretary of the Treasury or the Secretary of the Treasury’s delegate.

(B) **REQUIREMENT.**—A former President may not receive a monetary allowance under subsection (a)(2) unless the former President discloses to the Secretary, upon the request of the Secretary, any return or return information of the former President or spouse of the former President that the Secretary determines is necessary for the purpose of calculating the applicable reduction amount under paragraph (2) of this subsection.

(C) *CONFIDENTIALITY.*—*Except as provided in section 6103 of the Internal Revenue Code of 1986 and notwithstanding any other provision of law, the Secretary may not, with respect to a return or return information disclosed to the Secretary under subparagraph (B)—*

(i) *disclose the return or return information to any entity or person; or*

(ii) *use the return or return information for any purpose other than to calculate the applicable reduction amount under paragraph (2).*

(4) *INCREASED COSTS DUE TO SECURITY NEEDS.*—*With respect to the monetary allowance that would be payable to a former President under subsection (a)(2) for any 12-month period but for the limitation under paragraph (1), the Administrator of General Services, in coordination with the Director of the United States Secret Service, shall determine the amount of the allowance that is needed to pay the increased cost of doing business that is attributable to the security needs of the former President.*

(e) *WIDOWS AND WIDOWERS.*—*The [widow] widow or widower of each former President shall be entitled to receive from the United States a monetary allowance at a rate of [\\$20,000 per annum] \$100,000 per year (subject to paragraph (4)), payable monthly by the Secretary of the Treasury, if such [widow] widow or widower shall waive the right to each other annuity or pension to which [she] she or he is entitled under any other Act of Congress. The monetary allowance of such [widow] widow or widower—*

(1) *commences on the day after the former President dies;*

(2) *terminates on the last day of the month before such widow—*

(A) *dies; or*

(B) *remarries before becoming 60 years of age; [and]*

(3) *is not payable for any period during which such widow holds an appointive or elective office or position in or under the Federal Government [or the government of the District of Columbia] to which is attached a rate of pay other than a nominal rate[.]; and*

(4) *shall, after its commencement date, be increased at the same time that, and by the same percentage by which, annuities of former Presidents are increased under subsection (c).*

(f) *OFFICE STAFF.*—

(1) *IN GENERAL.*—*The Administrator of General Services shall, without regard to the civil service and classification laws, provide for each former President an office staff of not more than 13 individuals, at the request of the former President, on a reimbursable basis.*

(2) *COMPENSATION.*—*The annual rate of compensation payable to any individual under paragraph (1) shall not exceed the highest annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code.*

(3) *SELECTION; RESPONSIBILITY.*—*An individual employed under this subsection—*

(A) *shall be selected by the former President; and*

*(B) shall be responsible only to the former President for the performance of duties.*

**(g) OFFICE SPACE AND RELATED FURNISHINGS AND EQUIPMENT.—**

**(1) OFFICE SPACE.—***The Administrator of General Services (referred to in this subsection as the “Administrator”) shall, at the request of a former President, on a reimbursable basis provide for the former President suitable office space, as determined by the Administrator, at a place within the United States specified by the former President.*

**(2) FURNISHINGS AND EQUIPMENT.—**

**(A) REIMBURSABLE.—***The Administrator may, at the request of a former President, provide the former President with suitable office furnishings and equipment on a reimbursable basis.*

**(B) WITHOUT REIMBURSEMENT.—**

**(i) GRANDFATHERED FORMER PRESIDENTS.—***In the case of any individual who is a former President on the date of enactment of the Presidential Allowance Modernization Act of 2017, the former President may retain without reimbursement any furniture and equipment in the possession of the former President.*

**(ii) PRESIDENTIAL TRANSITION ACT.—***A former President may retain without reimbursement any furniture or equipment acquired under section 5 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note).*

**(iii) EXCESS FURNITURE AND EQUIPMENT.—***The Administrator may provide excess furniture and equipment to the office of a former President at no cost other than necessary transportation costs.*

**[(f)] (h) DEFINITION.—**\* \* \*

**[(g)] (i) AUTHORIZATION OF APPROPRIATIONS.—**There are authorized to be appropriated to the Administrator of General Services up to \$1,000,000 for each former President and up to \$500,000 for the spouse of each former President each fiscal year for security and travel related expenses: Provided, That under the provisions set forth in section 3056, paragraph (a), subparagraph (3) of title 18, United States Code, the former President and/or spouse was not receiving protection for a lifetime provided by the United States Secret Service under section 3056 paragraph (a) subparagraph (3) of title 18, United States Code; the protection provided by the United States Secret Service expired at its designated time; or the protection provided by the United States Secret Service was declined prior to authorized expiration in lieu of these funds.

**(j) APPLICABILITY.—***Subsections (f), (g) (other than paragraph (2)(B)(i) of that subsection), and (i) shall apply with respect to a former President on and after the day after the last day of the period described in the first sentence of section 5 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note).*