

# Union Calendar No. 301

115TH CONGRESS  
1ST SESSION

# H. R. 3739

[Report No. 115–407]

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.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 12, 2017

Mr. JODY B. HICE of Georgia introduced the following bill; which was referred to the Committee on Oversight and Government Reform

NOVEMBER 13, 2017

Additional sponsors: Mr. GROTHMAN, Mr. POSEY, and Mr. BACON

NOVEMBER 13, 2017

Committed to the Committee of the Whole House on the State of the Union  
and ordered to be printed

# **A BILL**

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.

1       *Be it enacted by the Senate and House of Representa-*  
 2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Presidential Allowance  
 5       Modernization Act of 2017”.

6       **SEC. 2. AMENDMENTS.**

7       (a) FORMER PRESIDENTS.—The first section of the  
 8       Act entitled “An Act to provide retirement, clerical assist-  
 9       ants, and free mailing privileges to former Presidents of  
 10      the United States, and for other purposes”, approved Au-  
 11      gust 25, 1958 (commonly known as the “Former Presi-  
 12      dents Act of 1958”) (3 U.S.C. 102 note), is amended—

13               (1) by redesignating subsections (f) and (g) as  
 14               subsection (h) and (i), respectively;

15               (2) by striking the matter preceding subsection  
 16               (e) and inserting the following:

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

19                       “(1) an annuity, subject to subsections (b) and  
 20                       (c)—

21                               “(A) at the rate of \$200,000 per year; and

22                               “(B) which shall commence on the day  
 23                       after the date on which an individual becomes  
 24                       a former President; and

1 “(2) a monetary allowance, subject to sub-  
2 sections (b), (c), and (d), at the rate of—

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

8 “(B) \$350,000 per year for the 5 years fol-  
9 lowing the 5-year period under subparagraph  
10 (A); and

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

12 “(b) DURATION; FREQUENCY.—

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

15 “(A) terminate on the date that is 30 days  
16 after the date on which the former President  
17 dies; and

18 “(B) be payable by the Secretary of the  
19 Treasury on a monthly basis.

20 “(2) APPOINTIVE OR ELECTIVE POSITIONS.—

21 The annuity and monetary allowance under sub-  
22 section (a) shall not be payable for any period dur-  
23 ing which a former President holds an appointive or  
24 elective position in or under the Federal Government

1 to which is attached a rate of pay other than a  
2 nominal rate.

3 “(c) COST-OF-LIVING INCREASES.—Effective Decem-  
4 ber 1 of each year, each annuity and monetary allowance  
5 under subsection (a) that commenced before that date  
6 shall be increased by the same percentage by which benefit  
7 amounts under title II of the Social Security Act (42  
8 U.S.C. 401 et seq.) are increased, effective as of that date,  
9 as a result of a determination under section 215(i) of that  
10 Act (42 U.S.C. 415(i)).

11 “(d) LIMITATION ON MONETARY ALLOWANCE.—

12 “(1) IN GENERAL.—Notwithstanding any other  
13 provision of this section, the monetary allowance  
14 payable under subsection (a)(2) to a former Presi-  
15 dent for any 12-month period—

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

18 “(i) the monetary allowance that (but  
19 for this subsection) would otherwise be so  
20 payable for the 12-month period, exceeds  
21 (if at all)

22 “(ii) the applicable reduction amount  
23 for the 12-month period; and

24 “(B) shall not be less than the amount de-  
25 termined under paragraph (4).

1 “(2) DEFINITION.—

2 “(A) IN GENERAL.—For purposes of para-  
3 graph (1), the term ‘applicable reduction  
4 amount’ means, with respect to any former  
5 President and in connection with any 12-month  
6 period, the amount by which—

7 “(i) the earned income (as defined in  
8 section 32(c)(2) of the Internal Revenue  
9 Code of 1986) of the former President for  
10 the most recent taxable year for which a  
11 tax return is available, exceeds (if at all)

12 “(ii) \$400,000, subject to subpara-  
13 graph (C).

14 “(B) JOINT RETURNS.—In the case of a  
15 joint return, subparagraph (A)(i) shall be ap-  
16 plied by taking into account both the amounts  
17 properly allocable to the former President and  
18 the amounts properly allocable to the spouse of  
19 the former President.

20 “(C) COST-OF-LIVING INCREASES.—The  
21 dollar amount specified in subparagraph (A)(ii)  
22 shall be adjusted at the same time that, and by  
23 the same percentage by which, the monetary al-  
24 lowance of the former President is increased

1 under subsection (c) (disregarding this sub-  
2 section).

3 “(3) DISCLOSURE REQUIREMENT.—

4 “(A) DEFINITIONS.—In this paragraph—

5 “(i) the terms ‘return’ and ‘return in-  
6 formation’ have the meanings given those  
7 terms in section 6103(b) of the Internal  
8 Revenue Code of 1986; and

9 “(ii) the term ‘Secretary’ means the  
10 Secretary of the Treasury or the Secretary  
11 of the Treasury’s delegate.

12 “(B) REQUIREMENT.—A former President  
13 may not receive a monetary allowance under  
14 subsection (a)(2) unless the former President  
15 discloses to the Secretary, upon the request of  
16 the Secretary, any return or return information  
17 of the former President or spouse of the former  
18 President that the Secretary determines is nec-  
19 essary for purposes of calculating the applicable  
20 reduction amount under paragraph (2) of this  
21 subsection.

22 “(C) CONFIDENTIALITY.—Except as pro-  
23 vided in section 6103 of the Internal Revenue  
24 Code of 1986 and notwithstanding any other  
25 provision of law, the Secretary may not, with

1           respect to a return or return information dis-  
2           closed to the Secretary under subparagraph  
3           (B)—

4                   “(i) disclose the return or return in-  
5                   formation to any entity or person; or

6                   “(ii) use the return or return informa-  
7                   tion for any purpose other than to cal-  
8                   culate the applicable reduction amount  
9                   under paragraph (2).

10           “(4) INCREASED COSTS DUE TO SECURITY  
11           NEEDS.—With respect to the monetary allowance  
12           that would be payable to a former President under  
13           subsection (a)(2) for any 12-month period but for  
14           the limitation under paragraph (1) of this sub-  
15           section, the Administrator of General Services, in co-  
16           ordination with the Director of the United States  
17           Secret Service, shall determine the amount of the  
18           monetary allowance that is needed to pay the in-  
19           creased cost of doing business that is attributable to  
20           the security needs of the former President.”;

21           (3) by inserting after subsection (e) the fol-  
22           lowing:

23           “(f) OFFICE STAFF.—

24                   “(1) IN GENERAL.—The Administrator of Gen-  
25           eral Services shall, without regard to the civil service



1 and classification laws, provide for each former  
2 President an office staff of not more than 13 indi-  
3 viduals, at the request of the former President, on  
4 a reimbursable basis.

5 “(2) COMPENSATION.—The annual rate of com-  
6 pensation payable to any individual under paragraph  
7 (1) shall not exceed the highest annual rate of basic  
8 pay for positions at level II of the Executive Sched-  
9 ule under section 5313 of title 5, United States  
10 Code.

11 “(3) SELECTION; RESPONSIBILITY.—An indi-  
12 vidual employed under this subsection—

13 “(A) shall be selected by the former Presi-  
14 dent; and

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

17 “(g) OFFICE SPACE AND RELATED FURNISHINGS  
18 AND EQUIPMENT.—

19 “(1) OFFICE SPACE.—The Administrator of  
20 General Services (referred to in this subsection as  
21 the ‘Administrator’) shall, at the request of a former  
22 President, on a reimbursable basis provide for the  
23 former President suitable office space, as determined  
24 by the Administrator, at a place within the United  
25 States specified by the former President.

1 “(2) FURNISHINGS AND EQUIPMENT.—

2 “(A) REIMBURSABLE.—The Administrator  
3 may, at the request of a former President, pro-  
4 vide the former President with suitable office  
5 furnishings and equipment on a reimbursable  
6 basis.

7 “(B) WITHOUT REIMBURSEMENT.—

8 “(i) GRANDFATHERED FORMER  
9 PRESIDENTS.—In the case of any indi-  
10 vidual who is a former President on the  
11 date of enactment of the Presidential Al-  
12 lowance Modernization Act of 2017, the  
13 former President may retain without reim-  
14 bursement any furniture and equipment in  
15 the possession of the former President.

16 “(ii) PRESIDENTIAL TRANSITION  
17 ACT.—A former President may retain with-  
18 out reimbursement any furniture or equip-  
19 ment acquired under section 5 of the Pres-  
20 idential Transition Act of 1963 (3 U.S.C.  
21 102 note).

22 “(iii) EXCESS FURNITURE AND EQUIP-  
23 MENT.—The Administrator may provide  
24 excess furniture and equipment to the of-

1                    fice of a former President at no cost other  
2                    than necessary transportation costs.”; and

3                    (4) by adding at the end the following:

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

10                  (b) SURVIVING SPOUSES OF FORMER PRESI-  
11                  DENTS.—

12                    (1) INCREASE IN AMOUNT OF MONETARY AL-  
13                    LOWANCE.—Subsection (e) of the first section of the  
14                    Former Presidents Act of 1958 is amended—

15                    (A) in the first sentence, by striking  
16                    “\$20,000 per annum,” and inserting “\$100,000  
17                    per year (subject to paragraph (4)),”; and

18                    (B) in the second sentence—

19                    (i) in paragraph (2), by striking  
20                    “and” at the end;

21                    (ii) in paragraph (3)—

22                    (I) by striking “or the govern-  
23                    ment of the District of Columbia”;  
24                    and

1 (II) by striking the period and  
2 inserting “; and”; and

3 (iii) by inserting after paragraph (3)  
4 the following:

5 “(4) shall, after its commencement date, be in-  
6 creased at the same time that, and by the same per-  
7 centage by which, annuities of former Presidents are  
8 increased under subsection (c).”.

9 (2) COVERAGE OF WIDOWER OF A FORMER  
10 PRESIDENT.—Subsection (e) of the first section of  
11 the Former Presidents Act of 1958, as amended by  
12 paragraph (1), is amended—

13 (A) by striking “widow” each place it ap-  
14 pears and inserting “widow or widower”; and

15 (B) by striking “she” and inserting “she  
16 or he”.

17 (c) SUBSECTION HEADINGS.—The first section of the  
18 Former Presidents Act of 1958 is amended—

19 (1) in subsection (e), by inserting after the sub-  
20 section enumerator the following: “WIDOWS AND  
21 WIDOWERS.—”;

22 (2) in subsection (h) (as redesignated by sub-  
23 section (a)(1)), by inserting after the subsection enu-  
24 merator the following: “DEFINITION.—”; and

(3) in subsection (i) (as redesignated by subsection (a)(1)), by inserting after the subsection enumerator the following: “AUTHORIZATION OF APPROPRIATIONS.—”.

(d) CONFORMING AMENDMENTS.—

(1) TITLE 5.—Subpart G of part III of title 5, United States Code, is amended—

(A) in section 8101(1)(E), by striking “1(b)” and inserting “1(f)”;

(B) in section 8331(1)(I), by striking “1(b)” and inserting “1(f)”;

(C) in section 8701(a)(9), by striking “1(b)” and inserting “1(f)”;

(D) in section 8901(1)(H) by striking “1(b)” and inserting “1(f)”.

(2) PRESIDENTIAL TRANSITION ACT OF 1963.—

Section 5 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) is amended by striking the last sentence.

**SEC. 3. RULE OF CONSTRUCTION.**

Nothing in this Act or an amendment made by this Act shall be construed to affect—

(1) any provision of law relating to the security or protection of a former President or a member of the family of a former President;

1           (2) funding, under the Former Presidents Act  
2           of 1958 or any other law, to carry out any provision  
3           of law described in paragraph (1); or

4           (3) funding for any office space lease in effect  
5           on the day before the date of enactment of this Act  
6           under subsection (c) of the first section of the  
7           Former Presidents Act of 1958 (as in effect on the  
8           day before the date of enactment of this Act) until  
9           the expiration date contained in the lease, if the  
10          lease was submitted to the Committee on Oversight  
11          and Government Reform of the House of Represent-  
12          atives on April 12, 2017.

13 **SEC. 4. TRANSITION RULES.**

14          (a) **FORMER PRESIDENTS.**—In the case of any indi-  
15          vidual who is a former President on the date of enactment  
16          of this Act, the amendments made by section 2(a) shall  
17          be applied as if the commencement date referred in sub-  
18          sections (a)(1)(B) and (a)(2)(A) of the first section of the  
19          Former Presidents Act of 1958, as amended by section  
20          2(a), coincided with the date that is 180 days after the  
21          date of enactment of this Act.

22          (b) **WIDOWS.**—In the case of any individual who is  
23          the widow of a former President on the date of enactment  
24          of this Act, the amendments made by section 2(b)(1) shall  
25          be applied as if the commencement date referred to in sub-

1 section (e)(1) of the first section of the Former Presidents  
2 Act of 1958, as amended by section 2(b)(1), coincided  
3 with the date that is 180 days after the date of enactment  
4 of this Act.

5 **SEC. 5. APPLICABILITY.**

6 For a former President receiving a monetary allow-  
7 ance under the Former Presidents Act of 1958 on the day  
8 before the date of enactment of this Act, the limitation  
9 under subsection (d)(1) of the first section of that Act,  
10 as amended by section 2(a), shall apply to the monetary  
11 allowance of the former President, except to the extent  
12 that the application of the limitation would prevent the  
13 former President from being able to pay the cost of a lease  
14 or other contract that is in effect on the day before the  
15 date of enactment of this Act and under which the former  
16 President makes payments using the monetary allowance,  
17 as determined by the Administrator of General Services.

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1<sup>ST</sup> Session

**H. R. 3739**

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**A BILL**

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