

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 1777
OFFERED BY MR. CHAFFETZ OF UTAH**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Presidential Allowance
3 Modernization Act”.

4 SEC. 2. AMENDMENTS.

5 (a) RELATING TO A FORMER PRESIDENT.—The first
6 section of the Act entitled “An Act to provide retirement,
7 clerical assistants, and free mailing privileges to former
8 Presidents of the United States, and for other purposes”,
9 approved August 25, 1958 (3 U.S.C. 102 note), is amend-
10 ed by striking the matter before subsection (e) and insert-
11 ing the following:

12 “(a) Each former President shall be entitled for the
13 remainder of his or her life to receive from the United
14 States—

15 “(1) an annuity at the rate of \$200,000 per
16 year, subject to subsection (c); and

1 “(2) a monetary allowance at the rate of
2 \$200,000 per year, subject to subsections (c) and
3 (d).

4 “(b)(1) The annuity and allowance under subsection
5 (a) shall each—

6 “(A) commence on the day after the individual
7 becomes a former President;

8 “(B) terminate on the last day of the month be-
9 fore the former President dies; and

10 “(C) be payable by the Secretary of the Treas-
11 ury on a monthly basis.

12 “(2) The annuity and allowance under subsection (a)
13 shall not be payable for any period during which the
14 former President holds an appointive or elective position
15 in or under the Federal Government to which is attached
16 a rate of pay other than a nominal rate.

17 “(c) Effective December 1 of each year, each annuity
18 and allowance under subsection (a) having a commence-
19 ment date that precedes such December 1 shall be in-
20 creased by the same percentage as the percentage by
21 which benefit amounts under title II of the Social Security
22 Act (42 U.S.C. 401 and following) are increased, effective
23 as of such December 1, as a result of a determination
24 under section 215(i) of such Act (42 U.S.C. 415(i)).

1 “(d)(1) Notwithstanding any other provision of this
2 section, the monetary allowance payable under subsection
3 (a)(2) to a former President for any 12-month period may
4 not exceed the amount by which—

5 “(A) the monetary allowance which (but for this
6 subsection) would otherwise be so payable for such
7 12-month period, exceeds (if at all)

8 “(B) the applicable reduction amount for such
9 12-month period.

10 “(2)(A) For purposes of paragraph (1), the ‘applica-
11 ble reduction amount’ is, with respect to any former Presi-
12 dent and in connection with any 12-month period, the
13 amount by which—

14 “(i) the sum of (I) the adjusted gross income
15 (as defined by section 62 of the Internal Revenue
16 Code of 1986) of the former President for the last
17 taxable year ending before the start of such 12-
18 month period, plus (II) any interest excluded from
19 the gross income of the former President under sec-
20 tion 103 of such Code for such taxable year, exceeds
21 (if at all)

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

23 “(B) In the case of a joint return, subclauses (I) and
24 (II) of subparagraph (A)(i) shall be applied by taking into
25 account both the amounts properly allocable to the former

1 President and the amounts properly allocable to the
2 spouse of the former President.

3 “(C) The dollar amount specified in subparagraph
4 (A)(ii) shall be adjusted at the same time that, and by
5 the same percentage as the percentage by which, the mon-
6 etary allowance of the former President is increased under
7 subsection (e) (disregarding this subsection).”.

8 (b) RELATING TO THE SURVIVING SPOUSE OF A
9 FORMER PRESIDENT.—

10 (1) INCREASE IN AMOUNT OF MONETARY AL-
11 LOWANCE.—Subsection (e) of the section amended
12 by subsection (a) is amended—

13 (A) in the first sentence, by striking
14 “\$20,000 per annum,” and inserting “\$100,000
15 per year (subject to paragraph (4)),”; and

16 (B) in the second sentence—

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

19 (ii) in paragraph (3)—

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

23 (II) by striking the period and
24 inserting “; and”; and

1 (iii) by adding after paragraph (3) the
2 following:

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

8 (2) COVERAGE OF WIDOWER OF A FORMER
9 PRESIDENT.—Such subsection (e), as amended by
10 paragraph (1), is further amended—

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

13 (B) by striking “she” and inserting “she
14 or he”.

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

16 Nothing in this Act shall be considered to affect—

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

20 (2) funding, under the law amended by this sec-
21 tion or under any other law, to carry out any provi-
22 sion of law described in paragraph (1).

23 **SEC. 4. EFFECTIVE DATE; TRANSITION RULES.**

24 (a) EFFECTIVE DATE.—This Act shall take effect on
25 the date of enactment of this Act.

1 (b) TRANSITION RULES.—

2 (1) FORMER PRESIDENTS.—In the case of any
3 individual who is a former President on the date of
4 enactment of this Act, the amendment made by sec-
5 tion 2(a) shall be applied as if the commencement
6 date referred in subsection (b)(1)(A) of the section
7 amended by this Act coincided with such date of en-
8 actment.

9 (2) WIDOWS.—In the case of any individual
10 who is the widow of a former President on the date
11 of enactment of this Act, the amendments made by
12 section 2(b)(1) shall be applied as if the commence-
13 ment date referred to in subsection (e)(1) of the sec-
14 tion amended by this Act coincided with such date
15 of enactment.

