

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—114th Cong., 2d Sess.

S. 1411

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.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended
to be proposed by Mrs. ERNST

Viz:

1 Strike all after the enacting clause and insert the fol-
2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Presidential Allowance
5 Modernization Act of 2016”.

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-

1 dents Act of 1958”) (3 U.S.C. 102 note), is amended by
2 striking the matter preceding subsection (e) and inserting
3 the following:

4 “(a) IN GENERAL.—Each former President shall be
5 entitled for the remainder of his or her life to receive from
6 the United States—

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

9 “(2) a monetary allowance at the rate of
10 \$200,000 per year, subject to subsections (c) and
11 (d).

12 “(b) DURATION; FREQUENCY.—

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

15 “(A) commence on the day after the date
16 on which an individual becomes a former Presi-
17 dent;

18 “(B) terminate on the date on which the
19 former President dies; and

20 “(C) be payable by the Secretary of the
21 Treasury on a monthly basis.

22 “(2) APPOINTIVE OR ELECTIVE POSITIONS.—
23 The annuity and allowance under subsection (a)
24 shall not be payable for any period during which a
25 former President holds an appointive or elective po-

1 sition in or under the Federal Government to which
2 is attached a rate of pay other than a nominal rate.

3 “(c) COST-OF-LIVING INCREASES.—Effective Decem-
4 ber 1 of each year, each annuity and allowance under sub-
5 section (a) that commenced before that date shall be in-
6 creased by the same percentage by which benefit amounts
7 under title II of the Social Security Act (42 U.S.C. 401
8 et seq.) are increased, effective as of that date, as a result
9 of a determination under section 215(i) of that Act (42
10 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 such 12-month period, exceeds
21 (if at all)

22 “(ii) the applicable reduction amount
23 for such 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 sum of—

8 “(I) the adjusted gross income
9 (as defined in section 62 of the Inter-
10 nal Revenue Code of 1986) of the
11 former President for the most recent
12 taxable year for which a tax return is
13 available; and

14 “(II) any interest excluded from
15 the gross income of the former Presi-
16 dent under section 103 of such Code
17 for such taxable year, exceeds (if at
18 all)

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

21 “(B) JOINT RETURNS.—In the case of a
22 joint return, subclauses (I) and (II) of subpara-
23 graph (A)(i) shall be applied by taking into ac-
24 count both the amounts properly allocable to

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

3 “(C) COST-OF-LIVING INCREASES.—The
4 dollar amount specified in subparagraph (A)(ii)
5 shall be adjusted at the same time that, and by
6 the same percentage by which, the monetary al-
7 lowance of the former President is increased
8 under subsection (c) (disregarding this sub-
9 section).

10 “(3) DISCLOSURE REQUIREMENT.—

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

12 “(i) the terms ‘return’ and ‘return in-
13 formation’ have the meaning given those
14 terms in section 6103(b) of the Internal
15 Revenue Code of 1986; and

16 “(ii) the term ‘Secretary’ means the
17 Secretary of the Treasury or the Secretary
18 of the Treasury’s delegate.

19 “(B) REQUIREMENT.—A former President
20 may not receive a monetary allowance under
21 subsection (a)(2) unless the former President
22 discloses to the Secretary, upon the request of
23 the Secretary, any return or return information
24 of the former President or spouse of the former
25 President that the Secretary determines is nec-

1 essary for purposes of calculating the applicable
2 reduction amount under paragraph (2) of this
3 subsection.

4 “(C) CONFIDENTIALITY.—Except as pro-
5 vided in section 6103 of the Internal Revenue
6 Code of 1986 and notwithstanding any other
7 provision of law, the Secretary may not, with
8 respect to a return or return information dis-
9 closed to the Secretary under subparagraph
10 (B)—

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

13 “(ii) use the return or return informa-
14 tion for any purpose other than to cal-
15 culate the applicable reduction amount
16 under paragraph (2).

17 “(4) INCREASED COSTS DUE TO SECURITY
18 NEEDS.—With respect to the monetary allowance
19 that would be payable to a former President under
20 subsection (a)(2) for any 12-month period but for
21 the limitation under subsection (d)(1), the Adminis-
22 trator of General Services, in coordination with the
23 Director of the United States Secret Service, shall
24 determine the amount of the allowance that is need-
25 ed to pay the increased cost of doing business that

1 is attributable to the security needs of the former
2 President.”.

3 (b) SURVIVING SPOUSES OF FORMER PRESI-
4 DENTS.—

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

8 (A) in the first sentence, by striking
9 “\$20,000 per annum,” and inserting “\$100,000
10 per year (subject to paragraph (4)),”; and

11 (B) in the second sentence—

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

14 (ii) in paragraph (3)—

15 (I) by striking “or the govern-
16 ment of the District of Columbia”;
17 and

18 (II) by striking the period and
19 inserting “; and”; and

20 (iii) by inserting after paragraph (3)
21 the following:

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

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

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

7 (B) by striking “she” and inserting “she
8 or he”.

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

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

14 (2) in subsection (f), by inserting after the sub-
15 section enumerator the following: “DEFINITION.—”;
16 and

17 (3) in subsection (g), by inserting after the sub-
18 section enumerator the following: “AUTHORIZATION
19 OF APPROPRIATIONS.—”.

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

21 Nothing in this Act shall be construed to affect—

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

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).

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

5 (a) **FORMER PRESIDENTS.**—In the case of any indi-
6 vidual who is a former President on the date of enactment
7 of this Act, the amendment made by section 2(a) shall
8 be applied as if the commencement date referred in sub-
9 section (b)(1)(A) of the first section of the Former Presi-
10 dents Act of 1958, as amended by section 2(a), coincided
11 with such date of enactment.

12 (b) **WIDOWS.**—In the case of any individual who is
13 the widow of a former President on the date of enactment
14 of this Act, the amendments made by section 2(b)(1) shall
15 be applied as if the commencement date referred to in sub-
16 section (e)(1) of the first section of the Former Presidents
17 Act of 1958, as amended by section 2(b)(1), coincided
18 with such date of enactment.

19 **SEC. 5. APPLICABILITY.**

20 For a former President receiving a monetary allow-
21 ance under the Former Presidents Act of 1958 on the day
22 before the date of enactment of this Act, the limitation
23 under subsection (d)(1) of the first section of that Act,
24 as amended by section 2(a), shall apply to the monetary
25 allowance of the former President, except to the extent

1 that the application of the limitation would prevent the
2 former President from being able to pay the cost of a lease
3 or other contract that is in effect on the day before the
4 date of enactment of this Act and under which the former
5 President makes payments using the monetary allowance,
6 as determined by the Administrator of General Services.