

**February 28, 2012**

WASHINGTON, D.C. – Identifying a way to save the American taxpayer \$3 million a year, today Congressmen Jason Chaffetz (UT-03), Jason Altmire (PA-04), and Trey Gowdy (SC-04) introduced H.R. 4093, the *Presidential Allowance Modernization Act*.

Under current law, a divergence exists in how much compensation each former president receives from the American taxpayer, mainly due to differences in staff costs, office rental, travel expenses, etc. H.R. 4093 would amend and modernize the Former Presidents Act of 1958 to grant a guaranteed \$200,000 annual pension to each former president and an additional \$200,000 annual allowance for all other costs associated with being a former president (both numbers adjusted for Social Security COLA increases indexed to the year of passage of the bill). According to a reduction provision in the legislation, the annual allowance would be reduced dollar-for-dollar for any reported personal income earned by a former president over \$400,000.

H.R. 4093 also creates a new "survivors benefit" to provide the surviving spouse of a deceased former president a flat \$100,000 allowance annually, instead of the \$20,000 currently provided to surviving spouses (also adjusted for Social Security COLA increases). Nothing in H.R. 4093 would affect any provision of law relating to the security or protection of a former president or his family. In total, this bill would save roughly \$3 million in FY2013.

"Nobody wants our former presidents living the remainder of their lives destitute," said Congressman Chaffetz. "But the fact is none of our former presidents are poor. Reports actually indicate that between book tours and speaking fees these men are making millions of dollars a year. There's little reason why American taxpayers should be subsidizing these former presidents when they're doing fine on their own. This legislation modernizes an old law and saves the taxpayer millions of dollars in the process."

"As Congress continues to make the difficult choices of where to cut spending, we have to be willing to justify every penny going out of the Treasury," said Congressman Altmire. "This bill will ensure that taxpayers do not needlessly provide for former presidents' retirements if those presidents are financially successful in the years after their service. If the American people are being asked to make sacrifices as we get our economy moving again, it makes sense for

elected officials, who already are financially stable, to do the same."

"This bill modernizes the Former President's Act, recognizes the economic realities of today, promotes fiscal responsibility, and shows continued appreciation for prior service in our nation's highest elected office," said Congressman Gowdy.