SALARIES AND ALLOWANCES: CONGRESS

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ISSUE DEFINITION

This brief provides basic information on congressional salaries and allowances.

BACKGROUND

COMPENSATION OF MEMBERS OF CONGRESS

\$60,662.50 per annum

Effective Jan. 1, 1982, a Member is allowed to deduct, for income tax purposes, living expenses up to \$3,000 per annum while away from his or her congressional district or home State [26 U.S.C. 162(a) and 2 U.S.C. 31(c); 67 Stat. 322, Aug. 1, 1953 and reinstated by P.L. 97-216, 96 Stat. 194, July 18, 1982].

This provision was effective for Members prior to the 97th Congress. However, as a result of legislation passed during the First Session of the 97th Congress, the \$3,000 annual limitation was repealed and new tax provisions became effective retroactively to Jan. 1, 1981 (P.L. 97-51, 95 Stat. 967, Oct. 1, 1981).

Under the new tax provisions as directed by Congress and subsequently set forth by the IRS on Jan. 21, 1982, Members were permitted to choose among three alternatives in calculating living expenses. Under the first method, a Member was allowed to deduct all living expenses while in Washington with no statutory limit on the amount of living expenses that could be deducted. Members were required to maintain complete documentation of all expenditures.

Under the second method, a Member was allowed to deduct \$50 per day multiplied by the number of congressional days per year, plus any interest and taxes on his or her Washington area home. (A congressional day was defined as any day in the taxable year except for days in periods when the Member's Chamber was not in session for five consecutive days or more, including weekends.) The only required documentation was for taxes and interest paid on the Member's Washington home.

Under the third method, a Member was permitted to deduct \$75 per day multiplied by the number of congressional days with no documentation required.

A Member was not able to deduct interest and taxes on his or her Washington area home.

INSURANCE AND RETIREMENT PROVISIONS FOR MEMBERS OF CONGRESS

HEALTH INSURANCE

Members are eligible to participate in the Federal Employees Health Program

with more than 60 optional health benefit plans. Participation is on a voluntary, contributory basis.

LIFE INSURANCE

Members are eligible to participate in the Federal Employee Life Insurance Program with the amount of coverage for personal insurance computed by formula.

RETIREMENT

Retirement benefits are made available to Members of Congress, upon their application under the Civil Service Retirement Act, as amended. Participation is voluntary with Members making payments of 8% of their salary into the system. To draw benefits, a Member must have been in Congress a minimum of five years, at any time, and have paid into the retirement fund for at least the last five years of Federal civilian service.

EXPENSE ALLOWANCES FOR UNITED STATES REPRESENTATIVES

HOUSE ALLOWANCE SYSTEM

Members have two allowances available to them for discharging official and representational duties: (1) the Clerk Hire Allowance, and (2) the Official Expenses Allowance.

CLERK HIRE ALLOWANCE

Each Member is entitled to an annual clerk hire allowance of \$352,536 for not to exceed 18 permanent employees. As many as four additional employees may be designated by the Member, but need not be counted as permanent employees if they fall into one of the following categories:

- (1) Part-time employees;
- (2) Employees drawing compensation from more than one employing authority of the House;
- (3) Interns, other than LBJ interns (see below);
- (3) Incerns, other chan LBS incerns (see below);
- (4) Employees on leave-without-pay status; and
- (5) Temporary employees.

Employees' salaries are set at annual rates of not less than \$1,200 or in excess of \$57,500.

HOUSE INTERN PROGRAM

Members are authorized to employ for two months in any year an additional employee to be known as a "Lyndon Baines Johnson Congressional Intern." The amount available to each Member for employment of an intern is established at a total gross sum of \$1,700 payable at a rate of \$850 per month from the contingent fund of the House. No more than one intern at a time may be employed during the 2-month period. OFFICIAL EXPENSES ALLOWANCE

A base allowance of \$47,300 is authorized each Member for official and representational duties of his or her office. This basic allowance is available in addition to:

- (1) A sum for travel based upon a formula: the distance between D.C. and furthest point in a Member's district times 64 times a per mile rate that ranges from 30 cents to 18 cents depending on distance. This account is in no case to be less than \$4,950.
- (2) The dollar equivalent to 15,000 times the highest long-distance telephone rate per minute from the District of Columbia to the Member's district. In no case is the equivalent amount specified to be less than \$6,000. If the Member has elected to use WATS or similar service in his or her office, the 15,000 minute multiplier will be reduced by one half. In no case is the equivalent amount in such case to be less than \$3,000.
- (3) The dollar equivalent to 2,500 square feet multiplied by the highest applicable rate per square foot charged the Federal agencies by the Administrator of the General Services Administration in the district for rental of office space.

The Official Expenses Allowance may be used for expenses of travel, office equipment lease, district office lease, stationery, telecommunications, mass mailings, postage, computer services, and other official expenses. The following items or classes of items are excluded from those that may be paid from the allowance:

- (1) Expenses relating to the hiring and employment of individuals, including, but not limited to, employment service fees, transportation of interviewees to and from employment interviews, and cost of relocation upon acceptance or termination of employment.
- (2) Items purchased from other than the House stationery store which have a useful life in excess of the current term of the Member, and which would have a residual value of more than \$25 upon the expiration of the current term of the Member.
- (3) Holiday greeting cards, flowers, and trophies.
- (4) Personal advertisements (other than meeting or appearance notices).
- (5) Donations of any type, except flags of the United States flown over the Capitol and items purchased for use as gifts when on official travel for the House of Representatives outside the United States, its territories, or

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possessions.

- (6) Dues or assessments other than to legislative support organizations as approved by the Committee on House Administration.
- (7) Educational expenses for courses of study, information or training programs, unless the benefit accrues primarily to the House and the skill or knowledge is not commonly available.
- (8) Purchases of radio and television time.
- (9) Parking for Member and employees at district offices, except when included as an integral part of the lease or occupancy agreement for the district office space.

A Member may elect to reduce the Clerk Hire Allowance by up to \$15,000 per session and increase the Official Expenses Allowance by a like amount.

OTHER ALLOWANCES

MILEAGE ALLOWANCE FOR TRAVEL TO AND FROM EACH SESSION OF CONGRESS

Each Member is entitled to an amount equivalent to 20 cents per mile for mileage to and from each regular session of Congress.

TRAVEL ALLOWANCE FOR ORGANIZATIONAL CAUCUSES OR CONFERENCES

Each Member-elect and one designated staff person who. attend an organizational caucus or conference and each incumbent Member reelected to the ensuing Congress and one designated staff person who attend any such caucus or conference convening after the adjournment sine die of the Congress in the year involved are to be paid for one round trip each between place of residence in the district and Washington, D.C. for purpose of attending such caucus or conference.

Each Member-elect (other than an incumbent Member reelected to the ensuing Congress) who attends such caucus or conference is, in addition, to be reimbursed on a per diem or other basis for expenses incurred in connection with attendance.

EXPENSE ALLOWANCES FOR UNITED STATES SENATORS

OFFICIAL OFFICE EXPENSE ACCOUNT

Effective Oct. 1, 1977, an Official Office Expense Account was established for each Senator. Accounts range from \$33,000 to \$143,000 per annum. Each account varies for each Senator due to the factors used in setting the

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individual allowance amounts: distance between Washington, D.C. and the home State and population of the State. The Disbursing Office is authorized to make payment to a Senator as soon as an expense is submitted with documentation. The total allowance, payable from the contingent fund of the Senate, is determined by totaling the amounts that were previously established for separate allowance categories. Presently, these categories include:

- Official telegrams and long-distance telephone calls and related services.
- (2) Stationery and other office supplies procured through the Senate Stationery Room for use for official business.
- (3) Mailing or delivery of postal matters relating to official business.
 - (4) Official office expenses incurred in his or her State (other than equipment and furniture). Purchase of office equipment beyond basic allocations may be made through the 10% funds, listed under (9) below.
 - (5) Official telephone charges incurred outside Washington, D.C.
 - (6) Subscriptions to newspapers, magazines, periodicals, and clipping or similar services.
 - (7) Travel expenses incurred by the Senator and employees in his or ther office.
 - (8) Expenses incurred by individuals selected by a Senator to serve on panels or other bodies making recommendations for nominees to service academies or Federal judgeships.
 - (9) Other official expenses as the Senator determines are necessary:
 - (a) additional office equipment for Washington, D.C., or State offices.
 - (b) actual transportation expenses incurred by the Senator and employees for official business in the Washington metropolitan area. This is also allowed to employees assigned to a State office for actual transportation expenses in the general vicinity of the office to which assigned, but is not available for a change of assignment within the State or for commuting between home and office.

The total reimbursement expense for the calendar year may not exceed 10% of the total Official Office Expense Account.

A separate section appears in the quarterly <u>Report of the</u> <u>Secretary of the</u> <u>Senate</u> showing all expenses reimbursed to each Senator under this item.

The following expenses may not be reimbursed through either the State Office Allowance (4) or the 10% Allowance:

- (1) Commuting, including parking fees incurred in commuting.
- (2) Purchase of holiday greeting cards, flowers, trophies, awards, and certificates.
- (3) Donations or gifts of any type, except gifts of flags flown over the U.S. Capitol and copies of the book, "We, the People."
- (4) Dues or assessments.
- (5) Purchase of radio or television time, or for space in newspaper or other print media, except classified advertising for personnel to be employed in a Senator's office.
- (6) Expenses incurred by an individual who is not an employee, except those individuals selected by a Senator to serve on panels or other bodies making recommendations for nominees to service academies or Federal judgeships.
- (7) Travel expenses by employees incurred pursuant to a change of assignment within the State or in commuting between home and office.
- (8) Relocation expenses incurred by an employee in connection with the commencement or termination of employment or a change of duty station.
- (9) Compensation paid to an individual for personal services performed in a normal employer-employee relationship. (This language is interpreted to prohibit contracts for services between staff and Member; all personal office staff must be on the Senate monthly payroll).

Payment of or reimbursement for the following expenses is specifically prohibited by law:

- (1) Expenses incurred for entertainment or meals [2 U.S.C. 58 (a)].
- (2) Payment of additional salary or compensation to an employee(2 U.S.C. 68).
- (3) Expenses incurred for the maintenance or care of private vehicles (contained in each regular annual Legislative Branch Appropriations Act).

The Account can be used for official office expenses of the Senator and his or her staff with no limitation on the amount which can be spent in any one category (except for the limitation of 10% for "Official Expenses").

The statutory mileage, at the rate of 20 cents a mile for each Senator to and returning from each regular session of Congress, is a separate appropriation which is not paid from the Official Office Expense Account.

OTHER ALLOWANCES

ADMINISTRATIVE AND CLERICAL ASSISTANCE TO SENATORS

Regular clerk hire allowances are allocated according to the size of a Senator's State, and vary from \$621,054 for a Senator representing a State with population less than 2,000,000 to \$1,247,879 for a Senator representing a State with population of 21,000,000 or more. There are 16 population categories.

Each Senator may set the rates of compensation for employees in his or her office so long as no employee receives a salary at a rate less than \$1,151 per annum or in excess of \$37,648 per annum, except that (i) the salaries of three employees may be set at not more than \$53,600 per annum; (ii) the salaries of five employees may be set at not more than \$54,100 per annum; (iii) the salary of one employee may be set at not more than \$57,000 per annum; and (iv) the salaries of all other employees may be fixed at not more than \$37,648 per annum. An unspecified number of staff can be employed under the total clerk hire allowance for each Senator.

ADDITIONAL LEGISLATIVE ASSISTANCE TO SENATORS

Senators are authorized an allowance of \$192,624 per fiscal year for purposes of appointing legislative assistants to assist him or her with legislation of committees on which serving. However, the entitlement of funds is to be reduced on the basis of committee assignment and amount of committee staff assistance that a Senator controls by appointment or recommendation.

SENATE INTERNS

Senators may employ interns during the academic year and during the summer with Senators making their own financial arrangements for such employment.

PAPER AND ENVELOPE ALLOWANCE

An annual paper allowance of blank sheets (memo, offset paper), letterheads, and envelopes for each Senator is based on State population as follows: States with 1,200,000 or fewer adult constitutents are entitled to 1,200,000 sheets of paper per year. All other States are entitled to one sheet of paper per year, per adult constitutent. Letterheads and envelopes vary from 180,000 to 360,000.

A monthly allowance of public document envelopes for each Senator is based upon State population ranging from maximum allowance of 100,000 to a minimum of 50,000 letterheads and envelopes.

OFFICE SPACE IN STATES

Each Senator is authorized to secure, in an amount determined by law, suitable office space in Federal buildings in the State he or she represents.

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In the event suitable office space is not available in Federal buildings, a Senator is authorized to lease privately owned office space. The aggregate square feet of office space secured for a Senator (with no restrictions on the number of offices) ranges in 13 categories from 4,800 square feet if the population of his or her State is less than 2,000,000 to 8,000 square feet if such population is 17,000,000 or more.

MOBILE OFFICE SPACE FOR SENATORS

Each Senator is entitled to lease one mobile office for use only in the State he or she represents and is to be reimbursed for rental payments and cost of operating the office. Limitations have been placed on the terms of the lease and maximum annual rental payments and operating costs that may be reimbursed to a Senator.

OFFICE EQUIPMENT IN STATES

Other than office space rental, each Senator is authorized an aggregate amount of \$22,550 for State office furniture, equipment and other office furnishings for one or more offices if the aggregate square feet of office space is not in excess of 4,800 square feet. Such aggregate amount of \$22,550 is increased by \$500 for each authorized additional incremental increase in office space of 200 square feet. Therefore, the aggregate allowance ranges between \$22,550 and \$31,350.

OFFICE EQUIPMENT IN WASHINGTON

Each Senator receives certain basic office equipment allocated in accordance with the population of State and other factors as stipulated by the Senate Rules and Administration Committee.

ORIENTATION SEMINARS FOR NEW SENATORS AND STAFF MEMBERS

The Secretary of the Senate and the Sergeant at Arms and Doorkeeper of the Senate are authorized to expend sums not to exceed \$3,000 during any fiscal year, to conduct orientation seminars for new Senators and staff.

COMPENSATION AND ALLOWANCES OF THE VICE PRESIDENT (AS PRESIDENT OF THE SENATE)

COMPENSATION: \$79,125 per annum

EXPENSE ALLOWANCE

\$10,000 per annum, non-taxable nor allowable as a deduction under the Internal Revenue Code CLERK HIRE, AS PRESIDENT OF THE SENATE

\$945,000 for FY82 STATIONERY, AS PRESIDENT OF THE SENATE

\$4,500 per annum POSTAGE, AS PRESIDENT OF THE SENATE

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\$1,215 for air mail and special delivery each fiscal year, in addition to authorized use of the franking privilege provided to Members of Congress

RETIREMENT

Retirement benefits, based on age and length of service, as well as prior military and Federal Government service, are available to the Vice President, upon application.

VICE PRESIDENTIAL PROTECTION

The Vice President is entitled to protection of the Secret Service of the Department of the Treasury.

COMPENSATION AND ALLOWANCES OF THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

COMPENSATION: \$79,125 per annum

EXPENSE ALLOWANCE

\$10,000 per annum, taxable

The Speaker, as an elected House Member, is also entitled to any other benefits received as a Member of the House. CLERK HIRE

The Speaker is allowed twelve staff members as Speaker, in addition to his clerk hire as a Representative. OFFICE ALLOWANCE

The Speaker is entitled to an additional \$40,000 per session to be paid from the contingent fund of the House for office personnel and rental or lease of neccessary equipment. RETIREMENT

The Speaker of the House, as a Member of the House, receives the same retirement benefits as a Member of Congress. Provisions have been made in the past for Federal office space, furniture, equipment, furnishings, and staff for specified periods of time for retired Speakers.

COMPENSATION OF CONGRESSIONAL OFFICERS AND LEADERS

HOUSE OF REPRESENTATIVES AND SENATE

Majority and Minority Leaders of the House of Representatives and Senate..... \$68,575.00 per annum HOUSE OF REPRESENTATIVES Clerk of the House...... \$59,500.00 per annum Sergeant at Arms...... \$59,500.00 per annum Doorkeeper..... \$59,500.00 per annum Parliamentarian..... \$59,500.00 per annum Chaplain..... \$58,500.00 per annum SENATE

COMPENSATION OF STANDING COMMITTEE EMPLOYEES

HOUSE OF REPRESENTATIVES

Maximum salary for not to exceed two employees is \$58,500 per annum.

All other employees are limited to \$57,500 per annum. SENATE

STANDING COMMITTEES EXCEPT APPROPRIATIONS Maximum salary for not to exceed four employees is \$58,500 per annum.

Maximum salary for not to exceed two other employees is \$54,900 per annum.

Maximum salary for each of all other employees is \$53,600 per annum.

APPROPRIATIONS COMMITTEE Maximum salary for not to exceed five employees is \$58,500 per annum.

Maximum salary for not to exceed 16 other employees is \$54,900 per annum.