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Former Presidents: Federal Pension and Retirement Benefits

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Summary

Congress enacted the Former Presidents Act (FPA) in 1958 to provide former Presidents an annual lifetime pension, currently \$186,600, and office allowances administered by the General Services Administration (GSA). The FPA, as amended, also provides former Presidents with travel funds and mailing privileges (3 U.S.C. 102 note). Secret Service protection for former Presidents is also authorized by statute. The FY2007 Continuing Appropriations Resolution (121 Stat. 8) provides \$2.9 million for pensions and allowances for the former Presidents. The FY2008 President's budget requests \$2.5 million in funding for former Presidents.

Introduction

Chief executives leaving office prior to 1958 often entered retirement pursuing various occupations and received no federal assistance. When industrialist Andrew Carnegie announced a plan in 1912 to offer \$25,000 annual pensions to former Presidents, many Members of Congress deemed it inappropriate that such a pension would be provided by a private corporation executive. That same year, legislation was first introduced to create presidential pensions, but it was not enacted. In 1955, such legislation was considered by Congress because of former President Harry S. Truman's financial limitations in hiring an office staff. Enacted in 1958, the Former Presidents Act (FPA) has been amended to provide increases in presidential pensions and the allowances for office staff.

Benefits Available to Former Presidents

The General Services Administration (GSA) is authorized by the FPA to provide an office staff and suitable office space, appropriately furnished and equipped, at a location within the United States designated by a former President, for the rest of his or her lifetime. In 1961, the Comptroller General of the United States ruled that the FPA also applies to office supplies such as stationery and local and long distance telephone service.

Pensions. The Former Presidents Act, as amended, provides each former President a taxable pension that is equal to the annual rate of basic pay for the head of an executive

department (Executive Level I), currently \$186,600. The pension begins immediately upon a President's departure from office at noon on Inauguration Day, January 20. The Secretary of the Treasury is responsible for making the monthly pension payments, as authorized by the FPA. A presidential widow is provided a \$20,000 annual lifetime pension and franking privileges. The widow must waive the right to any annuity or pension under any other legislation. Lady Bird Johnson, Nancy Reagan, and Betty Ford are the surviving widows. According to GSA, Mrs. Reagan and Mrs. Ford do not receive the annual pension, since they did not waive the right to any other annuity or pension provided by statute.

According to a 1974 opinion by the Department of Justice concerning President Richard Nixon's resignation from office, a President who resigns before his official term of office expires is entitled to the same lifetime pension and benefits that are authorized other former Presidents. However, a President who is removed from office by impeachment forfeits his pension and related benefits. The ruling states that

The FPA [Former Presidents Act] provides certain benefits to "former Presidents." A former President is defined in Section (f) as a person who has been President, is not currently President, and who was not removed from office pursuant to impeachment and conviction in the Senate. The statutory language is unambiguous and Mr. Nixon clearly meets the statutory definition of a former President.¹

Transition Expenses. As authorized by the Presidential Transition Act, as amended, transition funding is available to the outgoing President and Vice President for seven months, beginning one month before the January 20 inauguration, to facilitate their relocation to private life.² These funds are used to provide suitable office space, staff compensation, communications services, and printing and postage associated with the transition. Based on the Department of Justice's 1974 decision, a President who resigns before his term of office has expired is also entitled to transition expenses.

In order to provide federal funding in the event of a 2004-2005 presidential transition, the President's FY2005 budget requested a total of \$7.7 million. The House passed H.R. 5025, the FY2005 Transportation, Treasury, and Independent Agencies appropriations bill, on September 22, 2004. The legislation recommended for GSA a total of \$7.7 million for transition expenses. In the Senate, S. 2806 also recommended a total of \$7.7 million to implement a possible transition. P.L. 108-309 was enacted on September 30, 2004, to provide continuing non-defense appropriations through November 20. A total of \$2.5 million was authorized in the event of a presidential transition, until enactment of the FY2005 omnibus appropriations bill. Due to the outcome of the 2004 presidential election, no funds were provided in P.L. 108-447, the FY2005 Consolidated Appropriations Act.

¹ U.S. Department of Justice, Office of Assistant Attorney General, letter to the Administrator of the General Services Administration from Mary C. Lawton, Acting Assistant Attorney General, Office of Legal Counsel, Washington, DC, Aug. 15, 1974.

² 3 U.S.C. 102 note. For a detailed discussion of transition benefits, see CRS Report RS30706, *Presidential Transitions: Background and Federal Support*, by Stephanie Smith; and CRS Report RL30736, *Presidential Transitions* by Stephanie Smith.

GSA was appropriated a total of \$7.1 million for the FY2001 transition (P.L. 106-426): \$1.83 million for the outgoing Clinton Administration; \$4.27 million for the incoming Bush Administration; and \$1 million for GSA to provide additional assistance as required by the Presidential Transition Act of 2000.³ A total of \$1.5 million was appropriated for the transition expenses of outgoing President George Bush and Vice President Dan Quayle (106 Stat. 1729). Of this total, the Bush Administration determined that \$1.25 million would be made available to former President Bush, with the remaining \$250,000 to be used by former Vice President Quayle. During his FY1993 transition period, former President Bush used \$907,939, with an unobligated balance of \$342,061. During the same period, former Vice President Quayle used \$244,192 for transition expenses, with an unobligated balance of \$5,808. For FY1997, \$5.6 million was authorized in the event of a presidential transition in January 1997, which did not occur.

Staff and Office Allowances. Six months after a President leaves office, provisions of the Former Presidents Act, as amended, authorize the GSA Administrator to fund an office staff. During the first 30-month period when a former President is entitled to assistance under the FPA, the total annual basic compensation for his office staff cannot exceed \$150,000. Thereafter, the aggregate rates of staff compensation for a former President cannot exceed \$96,000 annually. The maximum annual rate of compensation for any one staff member cannot exceed the pay provided at Level II of the Executive Schedule, currently \$168,000. A former President supplements staff compensation or hires additional employees from private funds. The GSA Administrator provides suitable office space, equipment, and supplies at any location within the United States selected by a former President. The FPA does not provide any information or guidance for GSA concerning the amount of office space requested by a former President. The funding for this provision becomes effective six months after the expiration of a President's term of office. Once a former President has chosen suitable office space, a standard-level user charge, equivalent to space rental cost, is included in GSA's budget for former Presidents. GSA, in consultation with officials representing the former Presidents, prepares yearly operating budgets. Funds are appropriated by Congress and included as part of GSA's annual appropriation act. In addition to assisting the former Presidents' offices with budget preparation, GSA also provides administrative support for the offices of former Presidents, assisting on requests for equipment, supplies, and other office expenditures. GSA makes the final determination on costs for office space and equipment. At the discretion of the GSA Administrator, a former President's office is closed six months following his death to allow sufficient time to complete unfinished business and transfer appropriate documents and other items to the presidential library.

The FY1995 Treasury, Postal Service, and General Government Appropriations Act (108 Stat. 2410) proscribed the use of funds for allowances and office staff of former Presidents for "partisan political activities." The FY1998 Treasury, Postal Service, and General Government Appropriations Act (111 Stat. 1299) contained a provision restoring lifetime staff and office allowances to former Presidents by repealing law limiting the

³ P.L. 106-293; Oct. 13, 2000.

allowances.⁴ Elimination of this limitation was actively pursued by the surviving former Presidents.⁵

Travel Expenses. Legislation enacted in 1968 authorizes GSA funds to be made available to a former President and no more than two members of his staff for official travel and related expenses. GSA makes the final determination on appropriate costs for travel expenses (FY1969 Supplemental Appropriations Act, 82 Stat. 1192). **Table 1** indicates the FY2008 GSA funding request for former Presidents.

Table 1. GSA Allowances for Former Presidents, FY2008 Request

Allowance	Widows	Carter	Bush	Clinton
Pension ⁶	\$20,000	\$191,000	\$191,000	\$201,000
Staff Salaries	0	96,000	96,000	96,000
Staff Benefits	0	2,000	64,000	65,000
Travel	0	2,000	56,000	50,000
Rental Payments	0	102,000	175,000	516,000
Telephone	0	10,000	17,000	79,000
Postage	14,000	15,000	13,000	15,000
Other Services	0	83,000	76,000	65,000
Printing	0	5,000	14,000	14,000
Supplies	0	5,000	15,000	26,000
Equipment	0	7,000	69,000	35,000
TOTAL	\$34,000	\$518,000	\$786,000	\$1,162,000

Source: General Services Administration, *FY2008 Congressional Justifications* (Washington: 2007), p. FP-5.

Related Benefits

In addition to the federal pension and retirement allowances provided by GSA, other benefits are also made available to a former President.

State Funerals. A former President is traditionally granted a state funeral following his death. Certain military honors and traditions are extended by the military, based on the wishes and requests made for the former President's surviving family

⁴ The FY1994 Treasury, Postal Service, and General Government Appropriations Act (107 Stat. 1246) had amended the FPA to limit the authorized allowances for a five-year period. Staff and office allowances would have ended in October 1998.

⁵ Karen Gullo, "Allowances for Life," *Associated Press Online*, Jan. 12, 1998.

⁶ This FY2008 pension request anticipates the annual increase in Executive Level I rate of pay for former Presidents. According to GSA, the additional \$10,000 requested for former President William J. Clinton is for health benefits insurance. Mrs. Johnson is the only surviving widow to receive a \$20,000 annual pension, since Mrs. Reagan and Mrs. Ford did not waive their rights to any other pension provided by statute. They do, however, receive franking privileges.

members.⁷ The sitting President officially announces the death of a former President and commander-in-chief by presidential proclamation, and offers the nation's condolences to the former President's immediate family. The President also orders that suitable honors be rendered by units of the armed forces under orders of the Secretary of Defense. The Secretary designates the Secretary of the Army as his personal representative. In turn, the Secretary of the Army delegates to the commanding general of the U.S. Military District of Washington (MDW) the overall authority for planning and implementing funeral arrangements for the former President. Each living former President has also prepared a formal funeral request, which is kept on file by the MDW. According to the long-standing custom that an officer escort the immediate family of a deceased military member until burial, the commanding general of the MDW escorts the former President's family members during all funeral ceremonies.

Under the supervision of the U.S. Military District of Washington, each branch of the armed forces provides personnel and support to the state funeral, such as participation by the Armed Forces Honor Guard, which provides security for the former President's remains while they are in repose or are lying in state. A former President, as former commander-in-chief, is also entitled to burial in the Arlington, VA, National Cemetery. In addition to the military, Congress also honors the former President by allowing his body to lie in state in the Capitol Rotunda for a state funeral ceremony, followed by public closed casket viewing.

Following former President Gerald R. Ford's death on December 26, 2006, President George W. Bush announced by proclamation that U.S. flags on federal facilities throughout the world be flown at half-staff for 30 days. He also ordered that suitable honors be rendered by units of the armed forces, as directed by the Secretary of Defense. Two days later, on December 28, 2006, President Bush issued an executive order which proclaimed January 2, 2007, as a day of respect and remembrance for the former President, and ordered the closing of federal offices and agencies. A state funeral took place in the Capitol Rotunda on December 30, 2006, where former President Ford lay in state, with subsequent services on January 2, 2007, at the Washington National Cathedral. Funeral services for the former President were conducted on January 3, 2007, in Grand Rapids, Michigan, with interment at the Gerald R. Ford Presidential Library and Museum.

Following former President Reagan's death on June 5, 2004, President George W. Bush announced by proclamation that U.S. flags on federal facilities throughout the world would be flown at half-staff for 30 days. He also directed the Secretary of Defense to render suitable honors to the former President by units of the armed forces, and designated June 11, 2004, as a National Day of Mourning. After a state funeral ceremony in the Capitol Rotunda, former President Reagan lay in state for 34 hours beginning on June 9 at 9:00 p.m.; a National Funeral Service followed on June 11 at the Washington National Cathedral. Based on his wishes, former President Ronald R. Reagan was interred at the Reagan Presidential Library in Simi Valley, CA.

Medical Expenses. Former Presidents and their spouses, widows, and minor children are entitled to treatment in military hospitals because of their status as secretarial

⁷ The military has rendered military honors to former Presidents since the burial of George Washington on Dec. 18, 1799, at Mt. Vernon, VA.

designees, authorized to receive such benefits by the Secretary of Defense. Health care costs are billed to the individual at an interagency reimbursement rate established by the Office of Management and Budget (OMB). Former Presidents and their dependents may also enroll in private health plans at their own expense.

Secret Service Protection. The Secret Service provides lifetime protection for former Presidents who entered office *before* January 1, 1997, and for their spouses (18 U.S.C. 3056). Surviving spouses of former Presidents receive protection until remarriage. Legislation enacted in 1984 allows former Presidents or their dependents to decline Secret Service protection (98 Stat. 3110). In addition to Lady Bird Johnson, Nancy Reagan, and Betty Ford, former Presidents Jimmy Carter, George H. W. Bush, William J. Clinton, and their wives receive protection. According to Lt. Don Nichols, U.S. Capitol Police, protection for Hillary Rodham Clinton, as Senator, is shared between the U.S. Capitol Police and the U.S. Secret Service. Both organizations have statutory responsibility for her security — the Secret Service for spouses of former Presidents and the Capitol Police for Members of Congress. Protection costs for former Presidents are not publicly disclosed by the Secret Service for reasons of security.

The FY1995 Treasury, Postal Service, and General Government Appropriations Act (108 Stat. 2413) amended 18 U.S.C. 3056 to limit protection to 10 years for former Presidents who begin serving *after* January 1, 1997, and for their spouses. A spouse's 10-year protection ends upon divorce, remarriage, or the former President's death. Following the death of an acting President (see Twenty-Fifth Amendment to the Constitution), a spouse receives protection for one year. The Secretary of the Treasury can also authorize temporary protection at any time. Protection for a former President's children is available to them until the age of 16 or for a period not to exceed 10 years, whichever occurs first. P.L. 106-554, the Presidential Threat Protection Act of 2000, granted the Secret Service additional authority to investigate threats against former Presidents and their families.

Presidential Libraries. With the exception of Richard Nixon, every former President since the administration of Herbert Hoover has had a presidential library, managed by the National Archives and Records Administration, established in his name.⁸ The process of creating such a presidential library may begin with the establishment of a presidential library foundation, a private organization under the leadership of friends of the President, which usually enjoys tax exempt status, and mandated to receive donations and contributions which will be used to purchase a land site and pay for the construction of an edifice to house the records of the former President. When a presidential library facility has been constructed and deeded to the government, the Archivist deposits the President's official records and papers there and assumes management of the library.

⁸ For a detailed discussion, see CRS Report RS20825, *Presidential Libraries: The Federal System and Related Legislation*, by Harold C. Relyea.