Members' Representational Allowance: History and Usage

Ida A. Brudnick
Specialist on the Congress

November 25, 2013

Congressional Research Service
7-5700
www.crs.gov
R40962

Summary

Members of the House of Representatives have one consolidated allowance, the Members' Representational Allowance (MRA), with which to operate their offices. The MRA was first authorized in 1996 and was made subject to regulations and adjustments of the Committee on House Administration. Representatives have a high degree of flexibility to use the MRA to operate their offices in a way that supports their congressional duties and responsibilities, and individual office spending may be as varied as the districts Members represent.

Since FY2010, the appropriation for the MRA has decreased by $116.1 million (17.6%). This reduction has coincided with reductions to the individual MRA for each Member, which is available for expenses incurred from January 3 of each year through January 2 of the following year. In the 112th Congress, the House agreed to H.Res. 22, which reduced the amount authorized for salaries and expenses of Member, committee, and leadership offices in 2011 and 2012. This resolution, agreed to on January 6, 2011, stated that the MRA allowances for these years may not exceed 95% of the amount established for 2010. Individual MRAs were further reduced 6.4% in 2012 and 8.2% in 2013.

Information on individual office spending is published in the quarterly *Statements of Disbursement of the House*. Following increased interest in the MRA, then-Speaker of the House Nancy Pelosi in June 2009 directed the then-Chief Administrative Officer to make future statements available on the website of the House of Representatives. The initial release contained information on spending for the quarter ending September 30, 2009. Subsequent *Statements* are available at http://disbursements.house.gov/.

In addition to recurring administrative provisions in the annual appropriations acts requiring amounts remaining in the MRA be used for deficit reduction or to reduce the federal debt, numerous bills and resolutions addressing the MRA have been introduced. This legislation has generally fallen into three major categories: (1) attempts to change the MRA procedure or regulate, authorize, or encourage the use of funds for a particular purpose; (2) stand-alone legislation that would govern the use of unexpended balance, including language to require these funds to go toward deficit reduction; and (3) bills that would limit or change the growth of overall MRA or adjustment among Members.

This report provides a history and overview of the MRA and examines spending patterns over three years—2005, 2006, and 2007. The data exclude non-voting Members, including Delegates and the Resident Commissioner. Members who were not in Congress for all of the first session of a Congress, whether the Member left Congress prior to the end of the year or entered any time after the beginning of the session, were also excluded. Similarly, Members who were not sworn in at the beginning of the Congress or did not remain until the end of the second session were not included in the analysis of the second session. This limitation resulted in data analyzing 431 Members for 2005, 426 for 2006, and 427 for 2007. Information is provided on total spending and spending for various categories, including personnel compensation; personnel benefits; travel; rent, utilities, and communications; printing and reproduction; other services; supplies and materials; transportation of things; equipment; and franked mail. The data collected demonstrate that, despite variations when considering all Members, many Members allocate their spending in a similar manner.

Contents

Figures

Tables

Contacts

Introduction

Congressional office spending has been a regular topic of interest to academics, interest groups, newspapers, and constituents for many years. It is a topic frequently mentioned in newspaper articles that address individual Member spending or generally discuss financial accountability among elected officials, and it has been examined by watchdog organizations and interest groups covering congressional spending on internal operations generally. A few scholars have also examined how Members typically spend their office allowances, analyzing spending within broader theories of representation.[1] Individual office spending may be as varied as the districts Members represent. Factors affecting spending include the tenure or interests of the Member, levels of casework,[2] geography, unexpected events, and even the congressional calendar.

While Representatives have a high degree of flexibility to operate their offices in a way that supports their congressional duties and responsibilities, they must operate within a number of restrictions and regulations. The Members' Representational Allowance (MRA), the allowance provided to Members of the House of Representatives to operate their DC and district offices,[3] may only support Members in their official and representational duties. It may not be used for personal or campaign purposes. Additional regulations or restrictions regarding reimbursable expenses may be promulgated by the Committee on House Administration, the Commission on Congressional Mailing Standards, also known as the Franking Commission, and the Committee on Standards of Official Conduct, and may be found in a wide variety of sources, including statute, House rules, committee resolution, the *Members' Handbook*,[4] the Franking Manual,[5] the *House Ethics Manual,* "Dear Colleague" letters, and formal and informal guidance.[6]

This report provides a history of the MRA and overview of recent developments, including decreases to the MRA in the 112th and 113th Congresses. It also demonstrates actual MRA spending patterns in three years (2005, 2006, and 2007) for all voting Members who served for a defined period.[7] Spending and practices across offices and across time vary, and an examination

[1] Burdett Loomis and Wendy Schiller, *The Contemporary Congress*, 5th ed. (Belmont, CA: Thompson-Wadsworth, 2006), Ch. 7-8; Richard F. Fenno, Jr., *Congressmen in Committees* (Boston: Little, Brown, 1973), p. 1; David Mayhew, *Congress: The Electoral Connection* (New Haven: Yale University Press, 1974), p. 49; and, Gary W. Cox and Jonathan N. Katz, "Why Did the Incumbency Advantage in the U.S. House Elections Grow?" *American Journal of Political Science*, vol. 40, no. 2 (May 1996), pp. 479-481. One study of MRA expenditures during the 106th Congress, for example, examined the effect of a Member's standing within the House, time in office, and plans for retirement or reelection on spending (Garry Young, "Choosing How to Represent: House Members and the Distribution of Their Representational Allowances," updated version of a paper presented at the Midwest Political Science Association, Chicago, April 7, 2005, pp. 15-18, available at http://home.gwu.edu/~youngg/research/Homestyle%20Choices%20v3.02.pdf).

[2] For additional information, see CRS Report RL33209, *Casework in a Congressional Office: Background, Rules, Laws, and Resources*, by R. Eric Petersen.

[3] For additional information on the resources available to Members of Congress, see CRS Report RL30064, *Congressional Salaries and Allowances*, by Ida A. Brudnick.

[4] Available at http://cha.house.gov/handbooks/members-congressional-handbook.

[5] Available at http://cha.house.gov/franking-commission/franking-manual.

[6] Available at http://ethics.house.gov/sites/ethics.house.gov/files/documents/2008_House_Ethics_Manual.pdf.

[7] Information on spending by certain Members was excluded from the observation data and summary findings because of characteristics related to the district or status or tenure of the Member. Non-voting Members, including the Delegates and the Resident Commissioner have been subject to the same expense formula as other Members since January, 1, 1983 (P.L. 97-357, 96 Stat 1711, October 19, 1982), although the distance from D.C., size of population, or both, may vary greatly from other Members. Members who were not in Congress for all of 2005, whether the Member (continued...)

of multiple Congresses would be required for a more complete picture of congressional office spending patterns.

Establishment of the MRA

The MRA, which was first authorized in 1996, was preceded by multiple allowances for each Member covering different categories of spending—including the former clerk hire allowance, official expenses allowances, and official mail allowance. The establishment of the MRA followed efforts by the House, dating back to the late 1970s, to move to a system of increased flexibility and accountability for Member office operations.[8]

In September 1995, the Committee on House Administration authorized the consolidation of these allowances.[9] Subsequently, in November 1995, the FY1996 Legislative Branch Appropriations Act combined the separate appropriations for personal office staff, official office expenses, and mail costs into a single new appropriations heading, "Members' Representational Allowances."[10] According to the House Appropriations Committee report on the FY1996 bill, the consolidation was adopted to simplify Members' accounting practices and allowed Members to more easily show savings achieved when they did not spend all of their allowance.[11] Subsequent legislation in 1996 further defined the MRA and made it subject to regulations and adjustments adopted by the Committee on House Administration.[12] Additional provisions included in the FY2000 Legislative Branch Appropriations Act amended language regarding official mail and repealed obsolete language and terms.[13]

Subsequent MRA Legislation

Appropriations Acts: Administrative Provisions Related to Unexpended Balances

Funding for the MRA has been provided by the annual legislative branch appropriations acts, omnibus appropriations acts, and continuing resolutions. Since the MRA's establishment, these

(...continued)

left Congress prior to the end of the year or entered any time after the beginning of the session, were excluded from the calculations from that year since spending for any portion may not be reflective of allocations for an uninterrupted year. Similarly, Members who were not sworn in at the beginning of the 109th Congress or did not remain until the end of the second session were not included in the analysis of 2006. This limitation resulted in data for 431 Members for 2005, 426 Members for 2006, and 427 for 2007.

[8] See, for example, House Administration Committee Orders 35, 38, 39, and 40 (effective May 1, 1983; August 1, 1985; March 15, 1990; and May 8, 1991, respectively). These are reprinted within the notes for 2 U.S.C. 57.

[9] Committee Order No. 41, effective September 1, 1995, in notes to 2 U.S.C. 57.

[10] P.L. 104-53, 109 Stat. 519 (November 19, 1995).

[11] U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations Bill, 1996*, report to accompany H.R. 1854, 104th Cong., 1st sess., H.Rept. 104-141 (Washington: GPO, 1995), p. 10.

[12] P.L. 104-186, 110 Stat. 1719 (Aug. 20, 1996); 2 U.S.C. 57b.

[13] P.L. 106-57, 113 Stat. 415 (September 29, 1999).

laws have also generally contained language requiring amounts remaining in the MRA be used for deficit reduction or to reduce the federal debt.[14]

Annual legislative branch appropriations bills with this language include P.L. 104-53 (Legislative Branch Appropriations Act, 1996), P.L. 104-197 (Legislative Branch Appropriations Act, 1997), P.L. 105-55 (Legislative Branch Appropriations Act, 1998), P.L. 105-275 (Legislative Branch Appropriations Act, 1999), P.L. 106-57 (Legislative Branch Appropriations Act, 2000), P.L. 106-554 (Consolidated Appropriations Act, 2001), P.L. 107-68 (Legislative Branch Appropriations Act, 2002), P.L. 108-7 (Consolidated Appropriations Resolution, 2003), P.L. 108-83 (Legislative Branch Appropriations Act, 2004), P.L. 108-447 (Consolidated Appropriations Act, 2005), P.L. 109-55 (Legislative Branch Appropriations Act, 2006), P.L. 110-161 (Consolidated Appropriations Act, 2008), P.L. 111-8 (Omnibus Appropriations Act, 2009), P.L. 111-68 (Legislative Branch Appropriations Act, 2010), and P.L. 112-74 (Consolidated Appropriations Act, 2012). The two long-term continuing resolutions (also known as CRs) enacted during this period—including P.L. 110-5 (Revised Continuing Appropriations Resolution, 2007) and P.L. 112-10 (FY2011 Full-Year Continuing Appropriations Act)—continued this language from prior years.

This provision was included in legislative branch appropriations bills reported by the House Appropriations Committee in FY1999 and since FY2002. In some years prior to consideration of FY2002 funding, it was added by amendment, including

- H.Amdt. 458 (403 – 21, Roll no. 415) to H.R. 1854, 104th Congress (Legislative Branch Appropriations Act, 1996);
- H.Amdt. 1245 (voice vote) to H.R. 3754, 104th Congress (Legislative Branch Appropriations Act, 1997);
- H.Amdt. 287 (voice vote) to H.R. 2209, 105th Congress (Legislative Branch Appropriations Act, 1998);
- H.Amdt. 166 (voice vote) to H.R. 1905, 106th Congress (Legislative Branch Appropriations Act, 2000); and,
- H.Amdt. 865 (voice vote) to H.R. 4516, 106th Congress (Legislative Branch Appropriations Act, 2001).

Other Bills Introduced

In addition to the appropriations language, numerous bills and resolutions addressing the MRA have been introduced. The majority have been referred to the Committee on House Administration. This legislation has generally fallen into three major categories:

- Attempts to change the MRA procedure or regulate, prohibit, authorize, or encourage the use of funds for a particular purpose.[15] For example, on July 21,

[14] The first few laws with this provision referred to the federal deficit. A budget deficit (or surplus) is calculated based on total spending of the entire federal government less total revenue collected. Since P.L. 106-57 (September 29, 1999), these provisions have also referred to the debt, stating any amounts remaining after all payments are made "shall be deposited in the Treasury and used for deficit reduction (or, if there is no Federal budget deficit after all such payments have been made, for reducing the Federal debt, in such manner as the Secretary of the Treasury considers appropriate)."

[15] For example: H.R. 3774, 112th Cong., Citizen Legislator Act of 2012; H.Res. 135, 112th Cong., Holding Congress (continued...)

2011, H.Amdt. 708 was offered to H.R. 2551, the FY2012 Legislative Branch Appropriations Act. The amendment, which prohibited the use of funds to make any payments from any MRA for the leasing of a vehicle in an amount that exceeds $1,000 in any month, was agreed to by voice vote. This language was subsequently included in H.R. 2055 (the FY2012 Consolidated Appropriations Act, P.L. 112-74).

- Stand-alone legislation that would govern the use of unexpended balance, including language to require these funds to go toward deficit reduction.[16]

(...continued)

Accountable Act of 2011; H.Res. 482, 112th Cong., Prohibiting the use of a Members' representational allowance to obtain advertising on any Internet site other than an official site of the Member involved; H.Res. 580, 112th Cong., To prohibit the use of the Members' Representational Allowance for air travel expenses of any individual unless the individual provides an itemized description of the expenses, including the specific flight number, and uses a credit card provided by the House of Representatives to pay for the expenses; H.Amdt. 709 to H.R. 2551, 112th Cong., An amendment numbered 10 printed in H.Rept. 112-173 to require all mail funded by the Members' representational allowance and from funds for official mail for committees and leadership offices of the House bear the official letterhead of the Member, committee, or office involved; H.R. 5151, 111th Cong., Congressional Oversight and Spending Transparency (COST) Act of 2010; H.Res. 1707, 111th Cong., Holding Congress Accountable Resolution of 2010; H.R. 5598, 110th Cong., To establish a program under which employing offices of the House of Representatives may agree to reimburse employees for child care expenses, and for other purposes; H.Res. 1186, 110th Cong., Prohibiting the use of funds in a Members' Representational Allowance for the long-term lease of a vehicle; H.R. 6, 110th Cong., Energy Independence and Security Act of 2007; H.Res. 879, 109th Cong., Expressing the sense of the House of Representatives that Members of the House of Representatives should use alternative fuel vehicles in their professional and personal lives; H.R. 5338, 109th Cong., CLEAR Act; H.R. 2106, 108th Cong., To permit Members of the House of Representatives to use funds provided in Member's Representational Allowances to obtain POW/MIA flags and distribute them to constituents; and, H.R. 1046, 105th Cong., To allow each Member of the House of Representatives to hire one additional employee, if the employee is hired from the welfare rolls, and to provide that, if such employment is in the District of Columbia, the jurisdiction represented by the Member may count the employment toward its welfare participation rate requirement.

[16] These include H.R. 106, 113th Cong., Congressional Budget Accountability Act; H.R. 496, 113th Cong., To require amounts remaining in Members' representational allowances at the end of a fiscal year to be used for deficit reduction or to reduce the Federal debt, and for other purposes; H.R. 121, 112th Cong., Congressional Budget Accountability Act; H.R. 262, 112th Cong., Mandatory Returning of Allowances Act; H.R. 297, 112th Cong., To require amounts remaining in Members' representational allowances at the end of a fiscal year to be used for deficit reduction or to reduce the Federal debt, and for other purposes; H.R. 4825, 111th Cong., To direct unused appropriations for Members' Representational Allowances to be deposited in the Treasury and used for deficit reduction or to reduce the Federal debt; H.R. 2656, 111th Cong., To require amounts remaining in Members' representational allowances at the end of a fiscal year to be used for deficit reduction or to reduce the Federal debt, and for other purposes; H.R. 272, 110th Cong., To require amounts remaining in Members' representational allowances at the end of a fiscal year to be used for deficit reduction or to reduce the Federal debt, and for other purposes; H.R. 267,109th Cong., To require amounts remaining in Members' representational allowances at the end of a fiscal year to be used for deficit reduction or to reduce the Federal debt, and for other purposes; H.R. 1273, 109th Cong., To require any amounts remaining in a Member's Representational Allowance at the end of a fiscal year to be deposited in the Treasury and used for deficit reduction or to reduce the Federal debt; H.R. 297, 108th Cong., To require any amounts remaining in a Member's Representational Allowance at the end of a fiscal year to be deposited in the Treasury and used for deficit reduction or to reduce the Federal debt; H.R. 921, 108th Cong., To require amounts remaining in Members' representational allowances at the end of a fiscal year to be used for deficit reduction or to reduce the Federal debt, and for other purposes; H.R. 2412, 108th Cong., To require any amounts appropriated for Members' Representational Allowances for the House of Representatives for a session of Congress that remain after all payments are made from such Allowances for the session to be deposited in the Treasury and used for deficit reduction or to reduce the Federal debt; H.R. 47, 107th Cong., To require any amounts appropriated for Members' Representational Allowances for the House of Representatives for a fiscal year that remain after all payments are made from such Allowances for the year to be deposited in the Treasury and used for deficit reduction or to reduce the Federal debt; H.R. 2414, 107th Cong., To require any amounts appropriated for Members' Representational Allowances for the House of Representatives for a fiscal year that remain after all payments are made from such Allowances for the year to be deposited in the Treasury and used for deficit

(continued...)

- Bills that would limit or change the growth of overall MRA or adjustment among Members.[17]

One bill, H.R. 4825 (111th Congress), which would require amounts remaining in the MRA to be used for deficit reduction or to reduce the federal debt, was agreed to in the House on March 17, 2010.[18] The bill was referred to the Senate Committee on Rules and Administration and no further action was taken during the 111th Congress.

112th Congress: Resolution Reducing Authorizations and Reductions in Appropriations Acts

In the 112th Congress (2011-2012), the House agreed to H.Res. 22, which reduced the amount authorized for salaries and expenses of Member, committee, and leadership offices in 2011 and 2012. This resolution, agreed to on January 6, 2011, stated that the MRA allowances for these years may not exceed 95% of the amount established for 2010. Individual MRAs, which reflect authorized levels from January 3 of each year through January 2 of the following year, subsequently were reduced, resulting in a total reduction of 11.08% from 2010 to 2012.[19] The appropriation for the MRA was reduced by 7.1% in FY2011 (P.L. 112-10) and 6.4% in FY2012 (P.L. 112-74).

(...continued)

reduction or to reduce the Federal debt; H.R. 431, 106th Cong., To require any amounts appropriated for Members' Representational Allowances for the House of Representatives for a fiscal year that remain after all payments are made from such Allowances for the year to be deposited in the Treasury and used for deficit reduction or to reduce the Federal debt; H.R. 2117, 106th Cong., To require any amounts appropriated for Members' Representational Allowances for the House of Representatives for a session of Congress that remain after all payments are made from such Allowances for the session to be deposited in the Treasury and used for deficit reduction or to reduce the Federal debt; H.R. 2171, 106th Cong., To require any amounts appropriated for Members' Representational Allowances for the House of Representatives for a fiscal year that remain after all payments are made from such Allowances for the year to be deposited in the Treasury and used for deficit reduction or to reduce the Federal debt; H.R. 866, 105th Cong., To provide that Members of the House of Representatives may return unused amounts from the Members' Representational Allowance to the Treasury for deficit reduction; H.R. 80, 105th Cong., To require the return of excess amounts from the representational allowances of Members of the House of Representatives to the Treasury for deficit reduction; H.R. 572, 104th Cong., To provide for return of excess amounts from official allowances of Members of the House of Representatives to the Treasury for deficit reduction; H.R. 376, 104th Cong., To provide for return of excess amounts from official allowances of Members of the House of Representatives to the Treasury for deficit reduction; H.R. 26, 104th Cong., To provide for return of excess amounts from official allowances of Members of the House of Representatives to the Treasury for deficit reduction.

17 For example: H.R. 1088, 112th Cong., Reduction of Irresponsible MRA Growth Act; H.R. 3189, 111th Cong., Reduction of Irresponsible MRA Growth Act; and H.R. 4761, 111th Cong., Congressional Belt-Tightening Act of 2010.

18 *Congressional Record*, March 17, 2010, pp. H1542-H1544.

19 The *Statement* contains the following: "The total amount of each Member's 2012 Representational Allowance is 88.92% of the amount authorized in 2010. This is in accordance with a 5% reduction to the 2010 authorization mandated in House Resolution 22, agreed to on January 6, 2011, and a 6.4% reduction to the 2011 authorization as reflected in H.R. 2055, the Consolidated Appropriations Act, 2012 (P.L. 112-74)." U.S. Congress, House, *Statement of Disbursements of the House*, as compiled by the Chief Administrative Officer, from October 1, 2012, to December 31, 2012, part 3 of 3, H.Doc. 112-160, 112th Cong., 2nd sess. (Washington: GPO, 2012), p. 2409.

113th Congress

Individual authorization levels for 2013 (January 3, 2013-January 2, 2014), which were effected by both redistricting[20] and sequestration,[21] were reduced by 8.2% according to the *Statement of Disbursements*.[22]

The overall fiscal year appropriations level also affected larger budgetary actions. The FY2012 funding level was continued in the FY2013 continuing resolution (P.L. 113-6), not including sequestration or an across-the-board rescission. For FY2014, $577.5 million was requested, and the House-reported bill (H.R. 2792) would have provided $543.9 million. The House report (H.Rept. 113-173) stated, "[t]his level of funding will allow the MRAs to operate at current authorized levels as approved by the Committee on House Administration."[23] The bill received no further consideration, and a continuing resolution (P.L. 113-46, enacted October 17, 2013) provides funding for legislative branch activities, including the MRA, until January 15, 2014.

Appropriations and Allocations: the Relationship of the Overall Fiscal Year Appropriation and Individual Calendar Year Authorization

Funding is provided on a fiscal year (beginning October 1) basis and a single total amount for all Members is provided under the appropriations heading, "Members' Representational Allowances," within the House account "Salaries and Expenses" contained in the annual legislative branch appropriations bills.

Allowance or authorization levels for individual Members of the House are authorized in statute and are regulated and adjusted by the Committee on House Administration pursuant to 2 U.S.C. 57 *et seq.* and House Rule X(1)(j). The individual MRAs for the 441 Members, Delegates, and the Resident Commissioner are authorized for periods that correspond closely to the sessions of Congress—from January 3 of each year through January 2 of the following year.

[20] The individual authorizations correspond to the legislative year (January 3-January 2), while appropriations correspond to the fiscal year (beginning October 1). The 2013 authorization was the first to follow redistricting after the 2010 census and 2012 election cycle. Since the variables in the MRA formula—including distance from DC, the cost of office space, and the number of non-business addresses—account for district characteristics, the individual MRA may vary following redistricting.

[21] Pursuant to the Budget Control Act of 2011 (P.L. 112-25), as amended by the American Taxpayer Relief Act of 2012 (P.L. 112-240), a sequestration order was issued on March 1, 2013 (White House, President Obama, Sequestration Order for Fiscal Year 2013 Pursuant to Section 251A of the Balanced Budget and Emergency Deficit Control Act, As Amended, March 1, 2013, available at http://www.whitehouse.gov/sites/default/files/2013sequestration-order-rel.pdf).

[22] The *Statement* contains the following: "Because the House is operating under a continuing resolution at FY 2012 levels, the total amount of funds available for MRAs remains unchanged.* However, to account for redistricting and other factors, individual MRAs have been recalculated using the sum of the following components adjusted proportionally to ensure the total is consistent with 2012 funding levels.... **This amount was reduced on March 4, 2013, by 8.2% to comply with sequestration orders issued pursuant to the Budget Control Act of 2011*." U.S. Congress, House, *Statement of Disbursements of the House*, as compiled by the Chief Administrative Officer, from April 1, 2013, to June 30, 2013, part 3 of 3, H.Doc. 113-41, 113th Cong., 1st sess. (Washington: GPO, 2013), p.2597.

[23] U.S. Congress, House Committee on Appropriations, *FY2014 Legislative Branch Appropriations Bill*, H.Rept. 113-173, report to accompany H.R. 2792 (Washington: GPO, 2013), p. 6.

In addition to the complexity involved in different time frames and split responsibilities—with the appropriation on a fiscal year determined by the Committee on Appropriations, and the authorization roughly following the calendar year as allocated by the Committee on House Administration—the House has indicated that the total authorized level for all MRAs may be more than the total appropriation due to projections on spend-out rates. The FY1997 report accompanying the legislative branch appropriations bill, for example, stated,

> Many Members do not expend their full allowance. That is why the Committee bill does not fully fund this account. The frugality of those Members is already projected in the bill presented by the Committee. Since these prospective savings are already taken in the bill, they reduce the need for appropriated funds and, therefore, contribute directly to the reduction in federal spending and consequently lower the projected deficit. If the Committee bill were to fully fund the Members' Representational Allowance, the amount appropriated would have to be increased by $27 million. Thus, the account is underfunded by almost 7%.[24]

A similar discussion of the use of prior spending patterns in the determination of MRA appropriations levels has been included in numerous other House reports.[25] It was also discussed during a hearing on the FY2009 legislative branch appropriations requests.[26]

Pursuant to law, late-arriving bills may be paid for up to two years following the end of the MRA year.[27] The permissibility of payment for late-arriving bills does not provide flexibility in the

[24] U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations Bill, 1997*, H.Rept. 104-657, report to accompany H.R. 3754 (Washington, GPO: 1996) p. 11.

[25] U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations Bill, 1996*, H.Rept. 104-141, report to accompany H.R. 1854 (Washington, GPO: 1995) p. 12; U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations Bill, 1998*, H.Rept. 105-196, report to accompany H.R. 2209 (Washington, GPO: 1997) p. 10; U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations Bill, 1999*, H.Rept. 105-595, report to accompany H.R. 4112 (Washington, GPO: 1998) p. 10; U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations Bill, 2000*, H.Rept. 106-156, report to accompany H.R. 1905 (Washington, GPO: 1999) p. 11; U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations Bill, 2001*, H.Rept. 106-635, report to accompany H.R. 4516 (Washington, GPO: 2000) p. 11; U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations Bill, 2010*, H.Rept. 111-160, report to accompany H.R. 2918 (Washington, GPO: 2009) p. 8.

[26] At this hearing, Chief Administrative Office Dan Beard indicated that the appropriation "is usually 92 or 93 percent of the authorization." U.S. Congress, House Committee on Appropriations, Subcommittee on the Legislative Branch, *Legislative Branch Appropriations for 2009*, hearings, 110th Cong., 2nd sess., April 9, 2008 (Washington: GPO, 2008), pp. 518-519, 528-529.

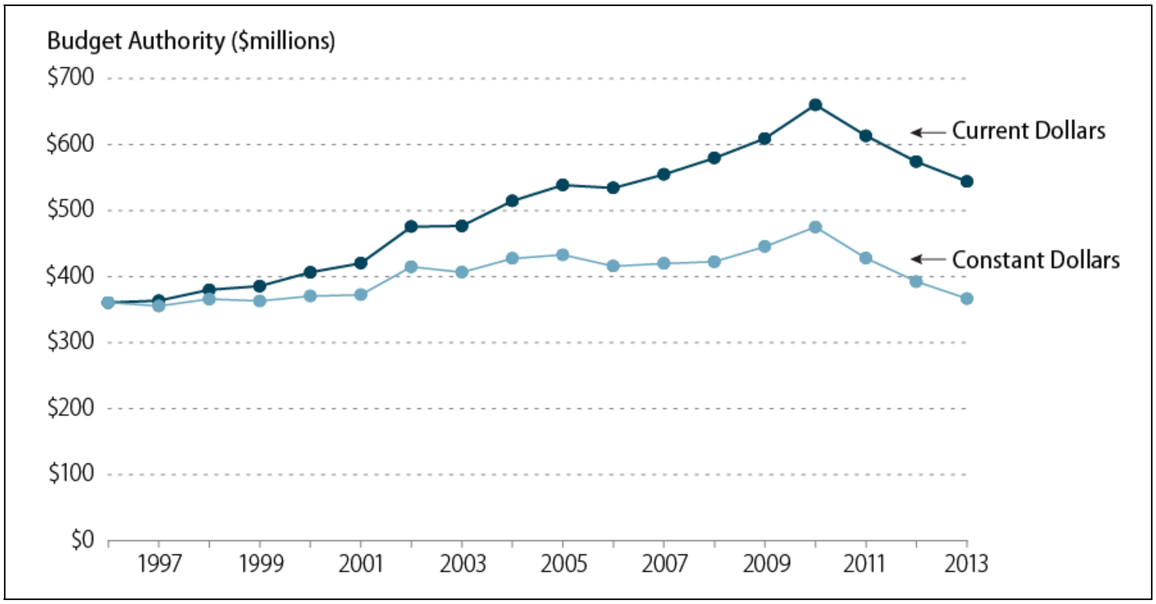
[27] The two-year period for late receipts for Congress is shorter relative to annual appropriations for much of the rest of the federal government, which is subject to a five-year period (31 U.S.C. 1551 *et al.*). This is discussed in the *Principles Of Federal Appropriations Law.* This publication states: "For appropriations of the House and Senate, unobligated balances more than two years old cannot be used short of an act of Congress. Instead, obligations chargeable to appropriations that have been expired for more than 2 years 'shall be liquidated from any appropriations for the same general purpose, which, at the time of payment, are available for disbursement.' 2 U.S.C. §102a." United States General Accounting Office, *Principles Of Federal Appropriations Law*, Third Edition, vol. I, January 2004, http://www.gao.gov/special.pubs/3rdEditionVol1.pdf, page 5-76 – 5-77. Chapter 5 ("Availability of Appropriations: Time") also has a section on the "Evolution of the Law" related to the treatment of unexpended balances. Another section in this chapter, on "Closed Appropriation Accounts" contains the following footnote on Treasury operations and the treatment of closed appropriations: "We commonly talk about "returning" appropriation balances to the Treasury. In point of fact, for the most part, they never leave the Treasury to begin with. An appropriation does not represent cash actually set aside in the Treasury. Government obligations are liquidated as needed through revenues and borrowing. Thus, the reversion of funds to the Treasury is not a movement of actual cash, but a bookkeeping adjustment that in the various ways discussed in the text, affects the government's legal authority to incur obligations and make expenditures."

timing of the obligation, a point emphasized in the *Members' Congressional Handbook*, which states: "all expenses incurred will be charged to the allowance available on the date the services were provided or the expenses were incurred" and the "MRA is not transferable between years."[28]

Figure 1 shows the appropriation for the overall MRA account for all Members from FY1996 through FY2013 in current and constant dollars. In current dollars, the appropriation decreased from FY2005 to FY2006 (-0.8%), from FY2010 to FY2011 (-7.1%), from FY2011 to FY2012 (-6.4%), and from FY2012 to FY2013 (-5.2%), while the largest annual increase (13.1%) occurred from FY2001 to FY2002.

Figure 1. Fiscal Year Appropriations for the Members' Representational Allowance

(current and constant dollars: FY1996-FY2013)



Source: CRS calculations based upon annual legislative branch appropriations acts, including supplemental appropriations and rescissions. Constant dollars based on Consumer Price Index for All Urban Consumers (CPI-U, Bureau of Labor Statistics, U.S. Department of Labor). Base year = 1996.

Formula for the Individual Authorized MRA

The MRA for each Member is set by the Committee on House Administration based on three components: personnel, official office expenses, and official (franked) mail. The personnel allowance component is the same for each Member. The office expenses and mail allowances components vary from Member to Member. The office expense component includes a base amount; a mileage allowance, which is calculated based on the distance between a Member's district and Washington, DC; and an office space allowance, which is based on the cost of office space in Member's district. The official mail component is calculated based on the number of non-business addresses in a Member's district. The three components result in a single MRA authorization for each Representative that can be used to pay for official expenses.[29] **Table 1**

[28] The *Members' Handbook*.

[29] For the 2013 formula, see U.S. Congress, House, *Statement of Disbursements of the House*, as compiled by the Chief (continued...)

demonstrates the variation in authorization levels that resulted from this formula since 1996. **Figure 2** presents this information graphically.

Table 1. Variation in MRA Authorization Levels: 1996-2013

Year	Minimum	Average (Mean)	Maximum	Lower Quartile (25th Percentile)	Median (50th Percentile)	Upper Quartile (75th Percentile)
1996	$824,671	$886,751	$1,026,976	$865,420	$881,682	$902,167
1997	$836,231	$901,165	$1,038,535	$879,620	$896,606	$918,490
1998	$854,904	$919,396	$1,056,176	$897,967	$914,672	$936,395
1999	$885,424	$952,102	$1,088,405	$930,137	$947,661	$967,940
2000	$914,895	$985,831	$1,122,018	$962,571	$981,204	$1,001,807
2001	$1,009,420	$1,081,069	$1,216,831	$1,057,403	$1,076,568	$1,097,123
2002	$1,043,283	$1,114,319	$1,258,737	$1,089,931	$1,109,598	$1,130,975
2003	$1,116,519	$1,191,527	$1,338,831	$1,166,075	$1,186,107	$1,212,784
2004	$1,152,825	$1,234,976	$1,370,805	$1,206,116	$1,228,892	$1,258,233
2005	$1,188,715	$1,286,784	$1,524,617	$1,253,938	$1,278,424	$1,310,388
2006	$1,218,685	$1,335,086	$1,574,753	$1,301,692	$1,326,374	$1,360,650
2007	$1,262,065	$1,356,251	$1,600,539	$1,322,060	$1,346,203	$1,383,810
2008	$1,299,292	$1,393,391	$1,637,766	$1,359,350	$1,383,430	$1,420,454
2009	$1,391,370	$1,484,174	$1,722,242	$1,451,041	$1,475,849	$1,510,755
2010	$1,428,395	$1,522,114	$1,759,575	$1,488,258	$1,513,947	$1,549,464
2011	$1,356,975	$1,446,009	$1,671,596	$1,413,845	$1,438,250	$1,471,991
2012	$1,270,129	$1,353,205	$1,564,613	$1,323,334	$1,345,972	$1,377,773
2013	$1,183,717	$1,243,560	$1,356,445	$1,226,726	$1,240,212	$1,257,959

Source: CRS calculations based on the *Statements of Disbursements* for 1996-2013 (in current dollars).

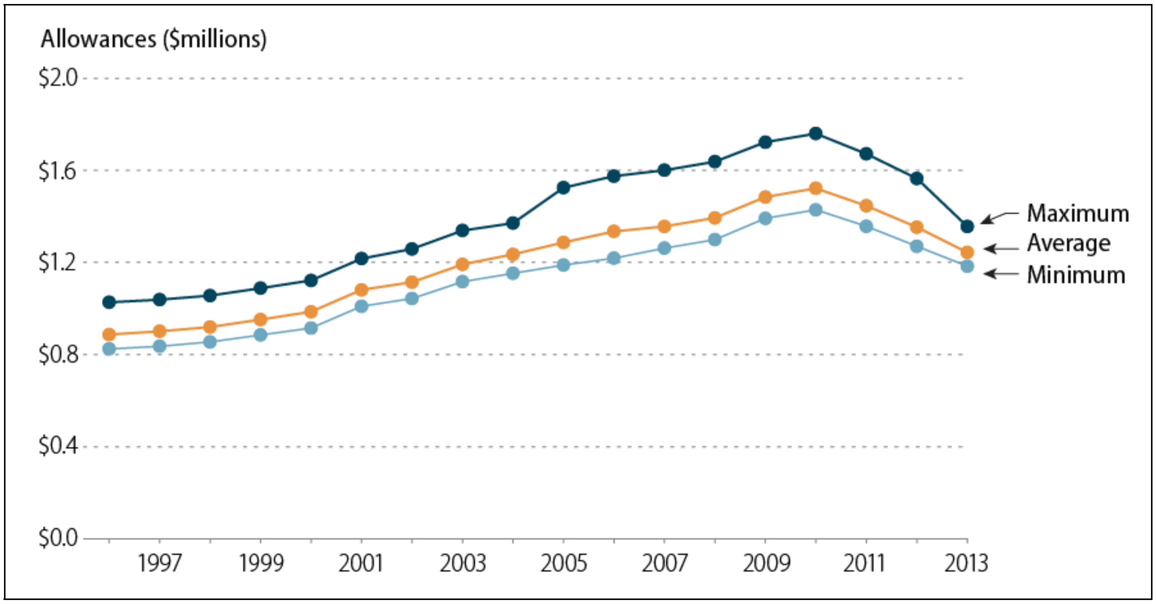
Notes: The data for 1996 through 2012 are based on the lists contained in the *Statement of Disbursements* for the first quarter (January-March) of each calendar year, and 2013 is based on the second quarter (April-June). The calculations exclude non-voting Members, including Delegates and the Resident Commissioner. Members elected by special election and sworn in during the quarter are also excluded since the allowance level may be prorated.

(...continued)

Administrative Officer, from January 1, 2013, to March 31, 2013, part 3 of 3, H.Doc. 113-17, 113th Cong., 1st sess. (Washington: GPO, 2013), p. 2967.

Figure 2. MRA Allowances by Member

(1996-2013)



Source: CRS calculations based on the Statements of Disbursements including expenses for 1996-2013 (in current dollars).

Notes: The data for 1996 through 2012 are based on the lists contained in the *Statement of Disbursements* for the first quarter (January-March) of each calendar year, and 2013 is based on the second quarter (April-June). The calculations exclude non-voting Members, including Delegates and the Resident Commissioner. Members elected by special election and sworn in during the first quarter are also excluded since their allowance level may be prorated.

Guidelines and Operations

Expenses related to official and representational duties are reimbursable under the MRA in accordance with the regulations contained in this *Members' Congressional Handbook*. The *Handbook* states that a

> Member is personally responsible for the payment of any official and representational expenses incurred that exceed the provided MRA or that are incurred but are not reimbursable under these regulations.[30]

Certain expenses, including personal expenses, greeting cards, alcoholic beverages, and most gifts and donations, are also not reimbursable. Other limitations on the use of official funds are also contained in House Rule XXIV. The MRA is not transferable between years, and unspent funds from one year cannot be obligated in any subsequent year. To assist Members with budgeting, the House makes information regularly available to each Member regarding the actual amount spent and remaining balances.

[30] The *Members' Handbook* is available at http://cha.house.gov/member-services/handbooks.

"Dear Colleague" Letters Related to the MRA

"Dear Colleague" letters—which are distributed among Members, committees, and officers—frequently mention the MRA.[31] These "Dear Colleague" letters announce changes in the dissemination of information or the processing of vouchers, elaborate on procedures, remind Members and staff of guidelines on the use of funds, and ask for support for MRA legislation.

The Committee on House Administration, for example, has distributed "Dear Colleagues" explaining regulations on the use of the MRA for regular expenses, such as cellular phone and cable television service, insurance, newspaper subscriptions, warranties, and certain equipment purchases.[32] Other letters have been issued regarding allowable franking and MRA expenses for the annual Congressional Art Competition or travel for a Member's funeral service, as well as reminders of prohibited expenses.[33] Many MRA changes addressed by "Dear Colleague" letters are often annual or administrative, such as changes to the maximum allowable employee pay rate or efforts to reduce paperwork and streamline payment processing.[34] The letters have contained explanations of new regulations, including provisions in the Energy Independence and Security Act of 2007 (P.L. 110-140) requiring future vehicles leased under the MRA to meet low greenhouse gas emitting vehicle standards set by the EPA and provisions allowing Members to use the MRA to purchase certain security upgrades for their district offices.[35] They also have summarized changes to the *Statement of Disbursement*.[36]

---

[31] For additional information on "Dear Colleague" letters, see CRS Report RL34636, *"Dear Colleague" Letters: Current Practices*, by Jacob R. Straus.

[32] For example: Dear Colleague Letter from Robert A. Brady, Chair of the Committee on House Administration, and Vernon J. Ehlers, Ranking Member of the Committee on House Administration, "Processing Year-End Expenses and Obligations," December 17, 2007; Dear Colleague Letter from Robert A. Brady, Chair of the Committee on House Administration, "Processing Year-End Expenses and Obligations," December 1, 2008; and Dear Colleague Letter from the Committee on House Administration, "End-of-Year Expenses," December 19, 2011.

[33] For example: Dear Colleague Letter from Representative Michael N. Castle, "2009 Congressional Art Competition," January 28, 2009; and Dear Colleague Letter from Robert A. Brady, Chair of the Committee on House Administration, "Use of Official Funds for Funeral Travel," August 22, 2008; and Dear Colleague Letter from the Committee on House Administration, "Restrictions on use of Official Funds for Caucus/Conference Retreat Expenses," January 17, 2012.

[34] For example: Dear Colleague Letter from Jay Eagen, CAO of the House, "Revised Maximum Rate of Pay for Employees in Member Offices," January 14, 2003; Dear Colleague Letter from Jay Eagen, CAO of the House, "Consolidated Billing from the Capitol Historical Society, September 11, 2003; and Dear Colleague Letter from Jay Eagen, CAO of the House, "Notification of Improvements to Mail Services," July 14, 2006.

[35] For example: Dear Colleague Letter from Daniel P. Beard, Chief Administrative Officer of the House, "Official Wheels Going Green!" May 19, 2008; Dear Colleague Letter from Daniel P. Beard, Chief Administrative Officer of the House, "Low Greenhouse Gas Emitting Vehicle Lease Requirements," November 20, 2008; and Dear Colleague Letter from the Committee on House Administration, "Using Your MRA for District Office Security Assessments and Upgrades," January 18, 2011.

[36] For example, Dear Colleague letter from Dan Strodel, CAO of the House, "Increased Transparency in Statement of Disbursements," August 18, 2011; and Dear Colleague from Dan Strodel, "Statement of Disbursements to Publish Merchant Information for Purchase Card Transactions," CAO of the House, June 22, 2012.

Categories of Spending, Additional Expenses, and Changes in Accounting

House spending is categorized by the standard budget object classes used for the federal government.[37] These include

- personnel compensation;
- personnel benefits;
- travel;
- rent, communications, and utilities;
- printing and reproduction;
- other services;
- supplies and materials;[38]
- transportation of things; and
- equipment.

The disbursement volumes also contain a category for franked mail.

Certain costs are not included in the MRA and will not be reflected in these totals. The costs include the salaries of Members[39] and certain benefits—including health and life insurance and retirement—for both Members and staff. Additionally, the range of items that may be covered by an office, as well as payment ceilings, have changed over time. For example, in a "Dear Colleague" letter of April 20, 2009, the Committee on House Administration announced that effective June 1, 2009, the transit benefit program would be administered centrally and available to all qualifying House employees. Previously, Members could determine whether or not to provide the transit benefit to their employees from the MRA.[40] Those who offered this benefit would record the expenditure under the personnel benefits category. In addition to administrative changes, the maximum authorized level has also changed a number of times since the establishment of the program. The House increased the maximum per month from $100 to $105,[41] for example, effective January 1, 2005, immediately preceding the period of study for this report.

[37] This classification system is derived from U.S. Office of Management and Budget, *OMB Circular A-11*, 2009 edition, http://www.whitehouse.gov/omb/Circulars_a11_current_year_a11_toc/.

[38] This may include, for example: office supplies, bottled water, and publication/reference material.

[39] Member pay is included in a permanent appropriation (P.L. 97-51; 95 Stat. 966; September 11, 1981).

[40] The Transit Pass Transportation Fringe Benefit Program was established the following year with the passage of the Federal Employees Clean Air Incentives Act (P.L. 103-172, December 2, 1993).

[41] Employees may receive either their actual commuting costs or the maximum, whichever is less.

Statements of Disbursements: Online Publication

The *Statements of Disbursements* are published as House documents and have been made available in the Legislative Resource Center. On June 3, 2009, then-Speaker of the House Nancy Pelosi directed the then-Chief Administrative Officer to begin publishing the statements online.[42] The disbursements for the quarter ending September 30, 2009, were made available on the House of Representatives website, House.gov, on November 30, 2009.[43] Subsequent quarters have been added to that website.

The MRA in Historical Practice: An Analysis of 2005-2007[44]

The tables and figures below demonstrate the use of the MRA in practice over three years. This information does not analyze the influence of characteristics of congressional districts.[45] However, various aspects of the MRA are explored, including (1) the billing cycle; (2) a relative consistency in the overall allocation of MRA resources by category of spending across the first and second session of the 109th Congress; and (3) similar spending patterns in many individual offices despite some variations.

Disbursement reports for 12 quarters were examined for each year analyzed, since, as discussed above, late-arriving bills may be paid for up to two years following the end of the MRA year (although unspent funds from one year cannot be obligated in any subsequent year). For example, while Members could only obligate 2005 MRA expenditures from January 3, 2005, until January 2, 2006, late-arriving receipts could be paid through the quarter ending December 31, 2007. While some bills, particularly from outside vendors, may arrive up to eight quarters after the end of the MRA year, the vast majority of billing (94%, 95%, and 99% in 2005, 2006, and 2007, respectively) occurred during the session or in the quarter immediately following the close of the MRA year. For example, the first quarter of 2006 accounted for 83%, or $24.6 million, of all out-year billing for MRA year 2005. Billing for some categories—like personnel compensation—is almost entirely within the disbursements for the calendar year of study.[46] By including data from all 12 quarters during which bills could be paid, it is possible to provide a more complete picture of spending patterns.

The largest category of spending in all three years, accounting for just over 70% of total MRA spending for all Members (as seen in **Figure 3**), is for personnel compensation. This is much

[42] Letter from then-Speaker Pelosi to Chief Administrative Office Dan Beard, June 3, 2009, available from the author.

[43] The *Statements of Disbursements* are available at http://disbursements.house.gov/.

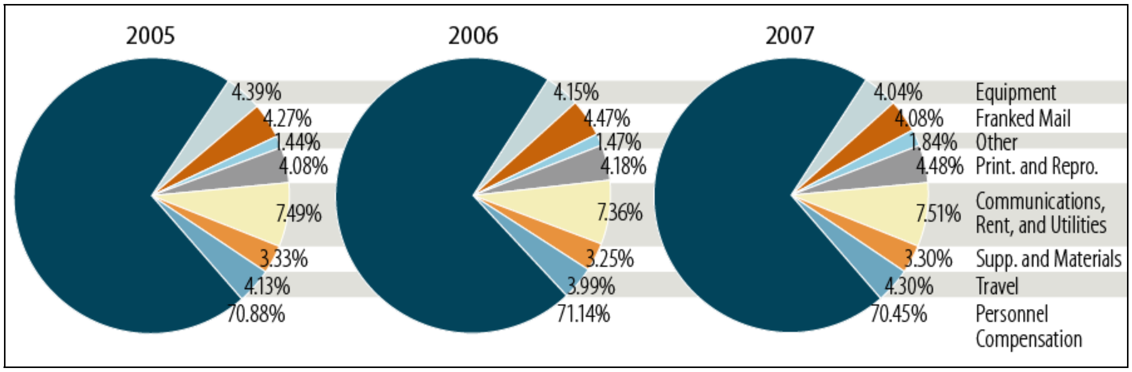
[44] These years were initially chosen to account for late-arriving receipts when this report was initially issued. Additional years will be added when possible.

[45] These may include, for example: the cost-of-living in the districts from which Members are elected; actual transportation costs to and from the district or around the district; geographical size of the district; number of people living in the district; or other characteristics of a district that may influence spending patterns, including varying expectations among constituents for different levels or types of contact.

[46] Since the MRA is available through January 2, but the *Statements* for the fourth quarter run through December 31, personnel compensation for January 1 and January 2 in an MRA year will usually appear in the volume for the subsequent calendar year (January 1-March 31), under a heading indicating that it is billed to the previous MRA year.

greater than the next largest category, "Communications, Rent, and Utilities," which accounts for approximately 7.5% of MRA spending for all Members in each year. "Equipment," "Franked Mail," "Printing and Reproduction," and "Travel" each account for approximately 4%-4.5% of spending by all Members in 2005, 2006, and 2007.

Figure 3. Expenditures by Category, as a Percentage of Aggregate MRA Spending



Source: CRS calculations based on the *Statements of Disbursements* including expenses for 2005, 2006 and 2007.

Notes: "Other" includes the "Miscellaneous," "Other Services," and "Personnel Benefits" categories, which were combined due to their size. The figures only represent spending supported by the MRA. For example, this does not include government contributions for employee benefits (which are paid through another House account), the cost of DC office space, and various services provided by other House administrative offices. Although spending patterns show many similarities between the two years, the data have not been aggregated for the entire Congress since MRA years are not transferable.

Since aggregate House data may not be typical or representative of any individual office, **Table 2** provides a distributional analysis of office level data. **Figure 4** presents office level distributions graphically. As with the figures on House-wide total Member office spending in **Figure 3**, the office level data indicate that personnel compensation is by far the largest category of expense for Member offices, although actual spending varied widely. Data on various categories of spending across offices also demonstrate that, while some offices incur greater costs in particular areas (as a proportion of total spending for that office), similar patterns have developed across the House despite the movement over the past few decades toward additional flexibility. While spending on personnel compensation ranged from approximately 45% to 90% of the individual MRA spending in all three years, half of all Members allocated between approximately 66% and 76% of their total spending to personnel compensation. Similarly, the maximum and minimum percentage of spending on franked mail; travel; and rent, communications, and utilities varied—from almost zero to around 18% of total spending—but spending for the average Member (i.e., the mean) was clustered close to the median for all Members in each category.[47]

[47] A mean and median that are equal indicate a "normal distribution," with data that is not skewed greatly in either direction by distant observations, or outliers. For data for these three years on these spending categories, the mean and median were nearly equal, implying close to normal distribution.

Table 2. Distribution of Office-Level Spending

(percentage of total expenditure in the individual MRA on select categories of spending)

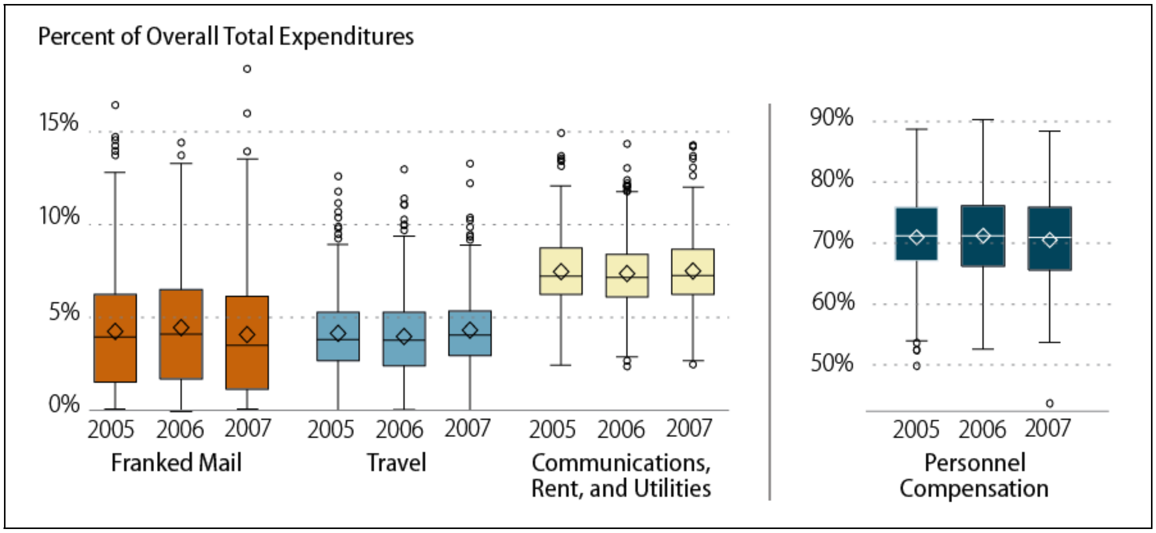
	Franked Mail			Personnel Compensation			Travel			Rent, Communications, & Utilities		
	2005	**2006**	**2007**	**2005**	**2006**	**2007**	**2005**	**2006**	**2007**	**2005**	**2006**	**2007**
Maximum percentage of total spending	16%	14%	18%	89%	90%	88%	13%	13%	13%	15%	14%	14%
Minimum percentage of total spending	0%	0%	0%	50%	53%	44%	0%	0%	0%	2%	2%	2%
Average percentage of total spending (Mean)	4%	4%	4%	71%	71%	70%	4%	4%	4%	8%	7%	7%
Lower Quartile (25th percentile)	2%	2%	1%	67%	66%	66%	3%	2%	3%	6%	6%	6%
Median (50th percentile)	4%	4%	4%	71%	71%	71%	4%	4%	4%	7%	7%	7%
Upper Quartile (75th percentile)	6%	6%	6%	76%	76%	76%	5%	5%	5%	9%	8%	9%

Source: CRS calculations based on the quarterly *Statement of Disbursements* covering expenditures for 2005, 2006, and 2007.

Note: Data exclude non-voting Members, including the Delegates and Resident Commissioner. Members who were not in Congress for the entirety of the MRA year were also excluded, since spending for any portion may not be reflective of expenditures in an uninterrupted year. This limitation resulted in data for 431 Members for 2005, 426 Members for 2006, and 427 Members for 2007.

Figure 4. Dispersion of Spending Across Select Categories: 2005, 2006, and 2007

(percentage of individual MRA)



Source: CRS calculations based on the quarterly *Statement of Disbursements* including expenses 2005, 2006, and 2007.

Notes: The shaded area shows the middle range of spending, covering spending that falls within 25% and 75% of all Members (the interquartile range) in the data for that year. The horizontal line inside the shaded box represents the *median*, or the spending level of the middle Member. An equal number of Members spent above and below this line. The vertical lines and dots indicate spending outside the 25th and 75th percentiles. The dots (outliers) represent observations that are a distance greater than (1.5 multiplied by the interquartile range) from the 25th and 75th percentiles.

Table 3 compares spending as a proportion of the total authorization.

Table 3. Distribution of Spending as a Percentage of Authorization

	<60%	60-65	65-70	70-75	75-80	80-85	85-90	90-95	>95
2005	0.2%	0.0%	0.0%	0.7%	1.6%	3.9%	9.7%	21.3%	62.4%
2006	0.0%	0.5%	0.0%	0.5%	2.3%	2.6%	7.7%	24.2%	62.2%
2007	0.0%	0.2%	0.0%	0.7%	0.7%	4.0%	7.5%	19.7%	67.2%

Source: CRS calculations based on the *Statement of Disbursements* covering expenditures for 2005, 2006, and 2007.

Notes: Data exclude non-voting Members, including the Delegates and Resident Commissioner. Members who were not in Congress for the entirety of the MRA year were also excluded, since spending for any portion may not be reflective of expenditures in an uninterrupted year. This limitation resulted in data for 431 Members for 2005, 426 Members for 2006, and 427 Members for 2007. Percentages may not equal 100% due to rounding.

Author Contact Information

Ida A. Brudnick
Specialist on the Congress
ibrudnick@crs.loc.gov, 7-6460

Acknowledgments

Sarah J. Eckman assisted in the preparation of this report and Susan Smelcer, Eric Petersen, Royce Crocker, and Amber Wilhelm assisted in the preparation of the figures.