H.R. 1496, Presidential Allowance Modernization Act of 2019
As ordered reported by the House Committee on Oversight and Reform on March 26, 2019

Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	*	*
Revenues	0	0	0
Deficit Effect	0	*	*
Spending Subject to Appropriation (Outlays)	0	-2	n.a.

		Mandate Effects	
Pay-as-you-go procedures apply?	Yes		
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

n.a. = not applicable; * = between -$500,000 and zero.

H.R. 1496 would decrease the pensions of former Presidents and effectively eliminate their allowances for staff, office space, and related expenses. The bill would apply only to Presidents who leave office after the date of enactment.

Under current law, Presidents who leave office will receive an annual pension of between $220,000 and $280,000. The bill would reduce those amounts, which are considered direct spending, by about $20,000 in each year over the 2019-2029 period. In total, those provisions would reduce direct spending by less than $500,000 over the next 10 years, CBO estimates.

Former Presidents also may receive an allowance from the General Services Administration to pay for staff, office space, and related expenses. H.R. 1496 would limit that allowance to $200,000 per year. That limit would be reduced by $1 for every dollar over $400,000 that those former Presidents earned in the previous year. Assuming that those future former Presidents will earn enough to reduce the maximum allowance to zero and based on the average allowances former Presidents now receive, CBO estimates that implementing H.R. 1496 would reduce costs by $2 million over the 2020-2024 period. Any reduction in spending would depend on future appropriations being reduced by the estimated amounts.

The CBO staff contact for this estimate is Dan Ready. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.