

CONGRESSIONAL PAY

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## ISSUE DEFINITION

The question of a salary increase for Members of Congress was considered by both Houses numerous times during the 97th Congress. The issue was last considered during December in the FY83 Further Continuing Appropriations. As sent to the President, the measure provided for a 15% pay increase for Members of the House of Representatives and other senior Federal officials, but not for Senators. The resolution was signed into law by the President on Dec. 21, 1982. Previously, in September, Congress approved a pay cap through Dec. 17, 1982 for Members and other senior Federal officials.

Member pay was first considered during the 97th Congress on Mar. 12, 1981 by the House and the Senate in response to President Carter's pay adjustment recommendation on Jan. 7, 1981 of 16.8% for top-level Federal officials, including Members. The President's recommendation was based on proposals of the 1980 Commission on Executive, Legislative, and Judicial Salaries. On Mar. 12, 1981, both Houses adopted resolutions that, in effect, disapproved the pay recommendations.

In October, 1981, a 4.8% annual adjustment went into effect. However, Members of Congress, as well as senior Federal officials and employees were denied a pay adjustment in P.L. 97-51. The law imposed a temporary cap on these salaries until Nov. 20, 1981. Positions covered included those earning \$50,122.50 or more a year. The pay cap was extended a second time by P.L. 97-85 until Dec. 15, 1981, and made permanent for the remainder of FY82 (until Sept. 30, 1982) by P.L. 97-92.

Also during the first session, Congress modified the tax liability on Members' living expenses (P.L. 97-51), reversing that decision in

During the 98th Congress, legislative issues will most likely center on (1) methods by which adjustments are determined, (2) timing and amount, (3) procedures for approval, (4) linkage of Member pay with the pay of other top-level Federal officials, and (5) indirect means such as honoraria and tax liability.

## BACKGROUND AND POLICY ANALYSIS

The salaries of Members of Congress presently may be adjusted under three authorities. First, salary adjustments are subject to proposals of the President every four years based upon recommendations of a quadrennial Commission on Executive, Legislative and Judicial Salaries. Second, salaries are subject to annual recommendation of the President under the Executive Salary Cost-of-living Act of 1975. Third, Members may adjust their salaries by statute.

### Commission on Executive, Legislative, and Judicial Salaries

The President is required to transmit pay recommendations to Congress every fourth year by the Federal Salary Act of 1967 (Public Law 90-206, 81 Stat. 614, Dec. 16, 1967). Section 225 of the Act authorized creation every 4 years of a Commission on Executive, Legislative, and Judicial Salaries. Under the Act, the Commission is to review the salaries of Members of

Congress, members of the Federal judiciary, Executive Schedule personnel, and certain officials in the legislative branch. After each review, Commission members are to submit their recommendations to the President. The President then is required to include in his next budget message to Congress his recommendations with respect to pay for these officials. In his recommendations he may accept or modify the pay proposals of the Commission members. Prior to 1977, the President's proposals became effective 30 days after their transmittal to Congress, unless in the interim either House formally voted disapproval or Congress enacted a statute establishing other pay rates. P.L. 95-19, approved Apr. 12, 1977, amended the Federal Salary Act of 1967 to require roll call votes in both the House and the Senate on future pay adjustments for positions included in the purview of the Commission on Executive, Legislative, and Judicial Salaries, including Members of Congress.

Since 1967, four Commissions have been established and recommended pay adjustments to the President. The first Commission submitted its recommendations to President Johnson on Dec. 2, 1968. Among the recommended new salary levels was a salary of \$50,000 for Members of Congress. When the President presented his budget message on Jan. 17, 1969, he recommended instead a salary level for Members of \$42,500, an increase of \$12,500 from \$30,000 per annum. On Feb. 4, 1969, the Senate considered a resolution, S.Res. 82, to disapprove the recommendations of the President regarding not only Members of Congress, but also other Federal officials for whom increases had been recommended. The resolution was defeated, thus insuring that pay raises for Members of Congress and other Federal officials would go into effect Mar. 1, 1969.

During FY73, the second Commission was activated and submitted its recommendations to President Nixon on June 30, 1973. Included was a salary adjustment for Members of Congress setting the rate at \$53,000 per annum. On Feb. 4, 1974, the President transmitted to Congress the FY75 budget message, which included recommendations subsequent to the Commission's report. The President proposed a 22% salary increase for Members of Congress over a 3-year period, an increase of \$10,300 to \$52,800 by 1976. Subsequently, the Senate passed S.Res. 293 on Mar. 6, 1974, disapproving all proposed pay increases. Since section 225 of the Federal Salary Act of 1967 provided at that time that an affirmative vote of either House of Congress on a resolution of disapproval nullifies the President's recommendations, the action taken by the Senate prevented the proposed rates from taking effect. Under provisions of the Federal Salary Act of 1967 another pay raise could not be considered until FY77, unless Congress (1) made other provisions by amendment to the Act, or (2) enacted into law a statute which established a new salary rate.

The third Commission on Executive, Legislative, and Judicial Salaries submitted its recommendations to President Ford on Dec. 2, 1976. The recommendation of the Commission regarding the salary of Members of Congress was \$57,500 per annum. This salary level was recommended without modification to Congress by the President in his budget message for FY78 on Jan. 17, 1977. Since neither the House or Senate approved a resolution of disapproval, the pay increase became effective for Members of Congress on Mar. 1, 1977, the beginning of the first congressional pay period after the 30-day requirement. Pay increases also became effective after Feb. 20, 1977, for Executive Schedule employees, the judiciary, the Vice President, and legislative officials including the Speaker, the President pro tempore, and the majority and minority leaders of the House and Senate.

The fourth Commission submitted its recommendations to President Carter on Dec. 15, 1980. With regard to compensation of the Members of Congress, the Commission recommended an adjustment from the current payable level of \$60,662.50 to \$85,000 per annum, representing a 40.1% increase. The Commission noted that the Congress has denied funds for compensation increases four times since 1975 under P.L. 94-82, which provided for annual comparability adjustments in the salaries of Members of Congress and other top-level Federal officials. As a result, the actual increase over full P.L. 94-82 rates would be 12%, an increase from the legal rate of \$75,900 to \$85,000 per annum. Adjustments denied under P.L. 94-82, since March 1977, were 7% in Oct. 1977, 5.5% in Oct. 1978, 7.2% in Oct. 1979 (although Congressmen received a 5.5% increase), and 9.11% in Oct. 1980. Had all these adjustments been accepted, Members of Congress would have been compensated at a rate of \$75,900 a year.

The 1980 Commission also made recommendations in a number of other areas dealing with periodic adjustment of salaries, relocation costs for Members and other Federal officials, expense allowances for Members of Congress, frequency of the salary review process, and appointment of a Special Commission on Federal Employee Compensation to conduct a study and make recommendations with regard to the total compensation system for all Federal employees.

Based upon the Commission's findings, President Carter forwarded to Congress on Jan. 7, 1981, a message on "Federal Executive, Legislative, and Judicial Salaries" (H.Doc. 97-6), in which he recommended a 16.8% increase for Members of Congress and other top-level Federal officials. The Congress had 60 days, until Mar. 16, to approve or disapprove, by roll call vote, the recommendations.

On Mar. 12, both Houses voted on resolutions that, in effect, disapproved the President's recommendations. By voice vote the House approved H.Res. 109 giving the "sense of the House" that a 16.8% pay increase would be "inappropriate at this time" for top-level Federal officials, including Members of Congress. Following the House vote, the Senate by recorded votes adopted four separate resolutions disapproving salary increases for Members of Congress (93-0), senior legislative officials (91-3), certain members of the judiciary (87-8), and executive branch officials (86-7). Adoption of the resolutions of disapproval prohibited the proposed pay adjustments from taking effect on Mar. 16.

#### Annual Pay Comparability Adjustments

The salaries of Members of Congress also may be adjusted under authority of the Executive Salary Cost-of-Living Act of 1975 (P.L. 94-82, 89 Stat. 419, Aug. 9, 1975). The act provides for a method of annual adjustments in the rates of pay for Members of Congress, the Vice President, the President pro tempore, the Speaker, the majority and minority leaders of the House and Senate, employees in the Executive Schedule, and judges. The 1975 Act included these positions under the same pay adjustment system as provided in the Federal Pay Comparability Act of 1971 (P.L. 91-656, 84 Stat. 1946, Jan. 8, 1971). P.L. 91-656 provided a permanent method of adjusting the rates of pay of most Federal employees, including those paid under the Federal statutory pay system -- General Schedule, Foreign Service, and physicians, dentists, and nurses of the Veterans' Administration. The 1971 Act also authorized adjustments in the rates of pay of certain other employees in the legislative, judicial, and executive branches.

The 1975 law provides for adjustments in the pay of Members, and other Federal officials covered under the Act, effective whenever a comparability adjustment is made in the statutory pay systems under authority of the Federal Pay Comparability Act of 1971. The amount of adjustment is to be equal to the percentage of the comparability adjustment in the General Schedule, rounded to the nearest \$100.

Under the procedure, the President is to direct such persons as he considers appropriate (usually the Director of the Office of Personnel Management, the Director of the Office of Management and Budget and the Secretary of Labor) to prepare and submit to him annually a report comparing the rates of pay of the statutory pay systems of the Federal government with the pay for comparable work in private industry on the basis of the annual survey of the Bureau of Labor Statistics. Such report is to include recommendations for adjustments in rates of pay based on the principle of comparability and include the views and recommendations of the Federal Employees Pay Council. An Advisory Committee on Federal Pay is directed to review the annual report and recommendations, consider any further proposals, and report its findings and recommendations to the President.

The President is authorized to adjust the statutory rates of pay as he determines appropriate to carry out the comparability principles, effective on the first pay period in October of each year. The President is required to transmit to Congress a report of the pay adjustments he intends to make, together with reports submitted to him by his agents. Should the President determine it inappropriate to make pay comparability adjustments, he is required to transmit to Congress, by Sept. 1 of each year, an alternative pay adjustment plan. The alternative plan becomes effective on Oct. 1, unless within 30 days after receipt of the plan, either House of Congress vetoes such proposal. In such event, the President is required to issue the original comparability adjustments, as recommended by his agents. In order to disapprove an alternative plan either House must adopt a resolution of disapproval.

Under authority of the Federal Pay Comparability Act of 1971 and the Executive Salary Cost-of-Living Act, President Ford, on Sept. 3, 1975, recommended a salary increase for Federal employees including, for the first time, Members of Congress. Although the Office of Management and Budget and the Civil Service Commission recommended an 8.66% pay increase and the Advisory Committee on Federal Pay recommended an 11.9% increase, President Ford recommended an alternative 5.0% adjustment. Since the proposal was an alternative plan, Congress had 30 days in which to disapprove the resolution. With failure of a disapproval resolution in the House, the President's recommended 5% increase became effective on Oct. 1, 1975. As a result, the salaries of Members were increased from \$42,500 to \$44,600 per annum.

In 1976, President Ford recommended an adjustment in the salaries of Members based upon comparability recommendations that would have increased the pay of Members of Congress from \$44,600 to \$48,600 per annum. Although a resolution of disapproval was not adopted in either the House or Senate, both Houses on Sept. 1 voted not to appropriate funds for annual pay comparability adjustments for those employees covered by the Federal Pay Comparability Act Amendments of 1975: Members of Congress, Federal judges, personnel under the Executive Schedule, and officials of the legislative branch. This provision was adopted as an amendment to the Legislative Appropriations Act for FY77 (P.L. 94-440, 90 Stat. 1461, Oct. 1, 1976). The amendment did not apply to scheduled recommendations of the President in early 1977 based upon the

report of the third Commission on Executive, Legislative, and Judicial Salaries. The President's recommendations of 1977, as noted above, included an increase for Members from \$44,600 to \$57,500 per annum, effective Mar. 1, 1977.

On Aug. 31, 1978, President Carter recommended a pay adjustment of 5.5% under the Federal Pay Comparability Amendments of 1975 and the 1971 Federal Pay Comparability Act. The President's recommendation, however, was an alternative pay adjustment, since his Pay Agent and the Advisory Committee on Federal Pay recommended an 8.4% adjustment. Congress had 30 days in which to disapprove the alternative plan, or the 5.5% recommendation would have become effective on Oct. 1, 1978. The House Committee on Post Office and Civil Service, held hearings Sept. 13 and 19 on H.Res. 1336, a resolution disapproving the alternative plan proposed by the President.

Prior to the President's recommendation of Aug. 31, however, the House and Senate approved a provision prohibiting use of Federal funds for the Oct. 1, 1978 pay comparability adjustment for all Federal employees earning \$47,500 or more per annum. Members of Congress, with a salary rate of \$57,500 per annum, were automatically included in the prohibition. The provision was included in the FY79 Legislative Branch Appropriations Act and approved by the House on June 14, 1978, and by the Senate on Aug. 7, 1978. The measure (H.R. 12935) became P.L. 95-391 on Sept. 30, 1978.

In 1979, the House and Senate again considered a pay adjustment pursuant to the annual comparability plan. A compromise adjustment of 5.5% was agreed to by conferees on Oct. 12 for Members, Federal judges, and other top-level Federal officials in the Continuing Appropriations Act, FY80. As a result, the compensation for Members of Congress was increased from \$57,500 to \$60,662.50 per annum.

In 1980, the House voted to prohibit any pay adjustment for Members of Congress and other top-level Federal officials scheduled for Oct. 1, 1980. The provision, contained in the Legislative Branch Appropriations for FY81, prohibited use of Federal appropriations during FY81 for salary increases to Federal officials paid at a rate of \$50,112.50 or more per annum. H.R. 7593 passed the House, by voice vote, on July 21, 1980, with the pay provision included. On Sept. 10, the Senate approved an amendment identical to the House pay cap language in H.R. 7590, Energy and Water Development Appropriations, FY81. The amendment was deleted in conference, as Congress subsequently approved H.J.Res. 610, Continuing Appropriations, FY81, which included language adopting certain provisions of H.R. 7593, FY81 Legislative Branch Appropriations Act. Among provisions of H.R. 7593 approved was the prohibition on use of Federal funds for salary increases for Federal officials (including Members of Congress) currently paid at a rate of \$50,112.50 or more per annum. H.J.Res. 610 effective until Dec. 15, 1980, was enacted into P.L. 96-369, 94 Stat. 1351-1352, on Oct. 1, 1980.

During the closing days of the 96th Congress, with the expiration of H.J.Res. 610 (P.L. 96-369), both Houses approved a second Continuing Appropriations Act for FY81, H.J.Res. 644. The resolution, which was first approved by the House on Dec. 13 and the Senate on Dec. 15, 1980, provided funding for those Government agencies whose regular annual appropriations had not been passed (including appropriations for the legislative branch) until June 5, 1981. Although both Houses approved an amendment providing for a pay increase of 17% for Members of Congress (to \$70,900 from the current rate of \$60,662.50) the amendment was deleted in conference. The pay amendment, which would have taken effect on Jan. 1, 1981, would have permitted the same

increase for other top-level officials in the legislative, executive, and judicial branches. Both Houses approved the conference report on Dec. 15, 1980. President Carter signed the measure into law on Dec. 16, 1980 (P.L. 96-536).

For the October 1981 comparability pay adjustment, President Reagan formally proposed on Aug. 31, 1981, a 4.8% increase for the 1.5 million Federal employees covered. The Reagan Administration submitted the proposal earlier in 1981 as part of its FY82 budget revisions. At that time, the Administration stated that the annual compensation survey would include the value of Federal benefits to arrive at a "total compensation" concept. On the theory that Government benefits (such as pension plans, leave policies, insurance, among them) exceed those of private industry, the Administration proposed a system whereby Federal salaries be set at a level equal to 94% of the comparability level.

Although the Administration's budget estimate called for a 4.8% comparability adjustment, the House Committee on Post Office and Civil Service voted June 9, 1981 to submit a proposed 5.45% increase to the House Budget Committee for inclusion in the reconciliation bill mandated by the congressional budget process.

On July 9, 1981, the House Appropriations Committee reported H.R. 4120 (H.Rept. 97-170), the Legislative Branch Appropriations Bill for FY82. Included in the bill was language prohibiting use of funds included within that measure (or any other) to pay salaries of officials in the legislative, executive, or judicial branches at a rate higher than the rate in effect as of Sept. 30, 1981, if such salaries were fixed at a rate equal to or greater than that in effect for level V of the Executive Schedule. The effect of this language was to maintain congressional salaries at the current level (\$60,662.50), and to deny the proposed 4.8% comparability adjustment to senior executive, legislative and judicial branch employees as well.

On Aug. 31, 1981, President Reagan formally recommended to Congress a 4.8% pay adjustment, effective in October, for most Federal employees, including Members of Congress. Subsequently, the House and Senate passed H.J.Res. 325 (P.L. 97-51), which in effect denied until Nov. 20, 1981 any adjustment, including the President's 4.8%, to top-level Federal officials with a compensation rate of \$50,112.50 or more per annum (Level V of the Executive Schedule). This language temporarily maintained Members' salaries at the current level of \$60,662.50.

During consideration of H.J.Res. 357, the Further Continuing Appropriations Bill, FY82, the Senate on Nov. 19 adopted by a vote of 54-41 an amendment by Senator Stevens raising the pay cap for Levels III, IV, and V of the Executive Schedule, increasing rates to \$59,500 for Level III, \$58,500 for Level IV, and \$57,500 for Level V. The overall pay raise for the approximately 40,000 employees potentially affected averaged 4.8%. House and Senate conferees on H.J.Res. 357 also endorsed a 4.8% pay increase for Members of the House, increasing the salary rate from \$60,622.50 to \$63,574. The proposed increase did not apply to Members of the Senate.

On Nov. 22, the House by voice vote disagreed with the conference committee proposals for increases in Executive Schedule salary rates and for an increase in the salary rate for House Members. The conference version without these provisions was passed by both Houses on Nov. 22.

Subsequently, H.J.Res. 357 was vetoed by the President on Nov. 23. On

that date, both Houses approved H.J.Res. 368, Further Continuing Appropriations Act, FY82 (P.L. 97-85), containing the provisions of P.L. 97-51, Continuing Appropriations, FY82, with an amendment extending these provisions until Dec. 15, 1981, in effect continuing the cap on Member pay and other senior Federal officials until that date.

In December, the House and Senate agreed to another extension (through Mar. 31, 1982) of the Further Continuing Appropriations Act for FY82, H.J.Res. 370 (P.L. 97-92). The Act provided for a permanent increase of approximately 4.8% in the salaries of Federal employees in Levels III, IV, and V of the Executive Schedule, effective Jan. 1, 1982. Level III was raised to \$59,500; Level IV to \$58,500; and Level V to \$57,500 per annum. At the time, the increase was expected to affect an estimated 40,000 to 50,000 senior Federal executives whose pay had been frozen at \$50,112.50 since Oct. 1, 1979. P.L. 97-92 extended the cap on Member pay through the remainder of FY82. With expiration of the continuing appropriations on Mar. 31, 1982, Congress, in March, passed H.J.Res. 409 providing appropriations for the remainder of FY82 for agencies not funded (P.L. 97-161).

The amount of the annual comparability adjustment scheduled for Oct. 1, 1982 was a 4.0% increase, recommended by the President on Aug. 27. In May the Administration supported a Senate move calling for no increase this year, with both Houses, however, subsequently approving a spending level allowing for a 4% increase for October 1982, 1983, and 1984 in the FY83 Budget Resolution (S.Con.Res. 92). This figure was not binding, merely advisory. Subsequently, Congress rejected the President's proposal in September and approved H.J.Res. 599, FY83 Continuing Appropriations, with a provision extending the present pay cap for Members and other senior Federal officials through Dec. 17, 1982. (P.L. 97-276).

Faced with expiration of the pay cap on Dec. 17, the House, on Dec. 14, adopted an amendment to H.J.Res. 631, FY83 Further Continuing Appropriations, providing for a 15% pay cap through FY83 for Members of Congress and other senior Federal officials. In addition, the resolution carried a provision placing a 30% limit on outside earned income for Senators, the same limit as currently in effect for Representatives. The amendment passed by a vote of 303-109. A second amendment that sought to continue the pay cap for Members and other senior Federal officials was rejected on a tie vote of 208-208.

Subsequently, the Senate made the following changes: (1) dropped the House-passed 30% limit on outside income earnings for Senators; and (2) capped Senators' pay at \$60,562.50, the amount in effect since October 1979. Senate and conference action did not block the 15% pay raise for House Members and other senior Federal officials. As the result the new pay rate for Members of the House is \$69,800 per annum. On Dec. 21, the President signed H.J.Res. 631 into law.

#### Problem of Salary Compression

A major question addressed by the second Commission on Executive, Legislative and Judicial Salaries was the problem of compression that had been created among persons in Grades 16, 17, and 18 of the General Schedule (the General Schedule pay system), whose salaries by law could not exceed the lowest salary in the Executive Schedule (Level V). Because General Schedule employees received a salary increase annually (under the Federal Pay Comparability Act of 1971), while employees in the Executive Schedule normally were eligible to receive a salary increase only once every 4 years



when the Commission was activated, a salary compression had been created. General Schedule employees therefore were prohibited from receiving a salary greater than \$36,000, the rate of pay for Level V of the Executive Schedule from 1969. At that same time annual salaries for Members of Congress were increased from \$30,000 to \$42,500. From 1969 until October 1975, however, General Schedule employees received seven pay increases while the salaries of Members of Congress, employees under the Executive Schedule, and Federal judges remained unchanged. The result was a compression between the pay of employees at the top levels of the General Schedule and the pay of their superiors in the Executive Schedule. The second Commission of 1973 estimated that by 1974 some 30,000 Federal executives would be paid the same per annum salary of \$36,000.

Two years later, on Feb. 25, 1975, the General Accounting Office issued a report to Congress on Federal executive pay, including Members of Congress. Its recommendations were aimed at reducing the problem of salary compression by making executive pay adjustments more comparable with adjustments provided for civil service career employees, and reducing the gap in pay adjustments between top positions in the Federal Government and in the private sector. In its report, the General Accounting Office recommended abolishment of the Commission on Executive, Legislative, and Judicial Salaries proposing instead that (1) salaries be adjusted annually, on the basis of either the annual changes in the Consumer Price Index or the average percentage increase in General Schedule salaries, and (2) an independent commission periodically review and evaluate pay levels. The report also discussed the loss in pay and benefits from the compression problem and difficulties in recruitment of high-level Government officials.

Four months after the General Accounting Office report was issued to Congress, the Senate and House acted to alleviate somewhat the compression problem by adopting the Federal Pay Comparability Act Amendments of 1975 (P.L. 94-82, see supra). P.L. 94-82 provides for the annual adjustments of the salaries of Members, other legislative officials, Federal judges, and officials under the Executive Schedule in an amount equal to the overall percentage increase granted for those under the General Schedule. Although compression had not been totally alleviated by enactment of these amendments, temporary relief was provided to employees in the General Schedule limited to Level V rates. These employees received their first adjustment, a 5.0% salary increase, under P.L. 94-82 in 1975.

In 1976, a second adjustment for Executive Schedule employees was recommended by President Ford under authority of P.L. 94-82. Both Houses of Congress, however, voted not to appropriate funds for the annual pay comparability adjustment for those employees covered by the 1975 Act, including Executive Schedule employees as well as the judiciary, Members of Congress, and other legislative and executive officials. Compression again was alleviated temporarily when the President's recommendations in 1977 to increase Level V to \$47,500 per annum became effective, and in 1979 when Level V was increased from \$47,500 to \$50,112.50 per annum under the annual comparability adjustment method. The problem of compression was further alleviated when Congress approved P.L. 97-92, which provided a permanent increase of approximately 4.8% in the salaries of Federal employees in Levels III, IV, and V of the Executive Schedule, effective Jan. 1, 1982. Level III was increased to \$59,500; Level IV to \$58,500; and Level V to \$57,500 per annum. The increase affected an estimated 40,000 to 50,000 senior Federal executives whose pay had been frozen at an annual rate of \$50,112.50 since Oct. 1, 1979.

Legislative Action in the 97th Congress

President Carter submitted to Congress on Jan. 7, 1981 a special message proposing a 16.8% increase in the compensation for Members of Congress and other top-level officials in the legislative, executive, and judicial branches. Under the proposal, the compensation of Members of Congress would be increased from \$60,662.50 per annum to \$70,900 per annum. The rates also would apply to the Resident Commissioner from Puerto Rico and the Delegates. Congress has 60 days to vote approval or disapproval of the President's Jan. 7 recommendations. President Carter's recommendations were based upon the proposals of the 1980 Commission on Executive, Legislative, and Judicial Salaries, the members of which submitted their report to the President on Dec. 15, 1980.

In February 1981, Representative Ford, Chairman of the House Committee on Post Office and Civil Service, named a special task force to study the December 1980 recommendations of the Committee on Executive, Legislative, and Judicial Salaries and the subsequent recommendations of President Carter on Jan. 7, 1981. The Quadrennial Pay Commission Task Force held hearings on Feb. 17, 18, 24, and 25, 1981.

On Mar. 12, both Houses voted on resolutions that, in effect disapproved the President's recommendations. By voice vote the House approved H.Res. 109 giving the "sense of the House" that a 16.8% pay increase would be "inappropriate at this time" for top-level Federal officials, including Members of Congress. Following the House vote, the Senate by recorded votes adopted four separate resolutions disapproving salary increases for Members of Congress (93-0), other legislative officials (91-3), certain members of the judiciary (87-8), and executive branch officials (86-7). Adoption of the resolutions of disapproval prohibited the proposed pay adjustments from taking effect on Mar. 16.

During consideration of the First Budget Resolution, H.Con.Res. 115, the House and Senate Budget Committees approved the Administration's recommended 4.8% pay adjustment for Federal employees, including Members of Congress, to be effective Oct. 1, 1981. An amendment introduced in the Senate Budget Committee in April to defer the 4.8% increase from Oct. 1, 1981 to Oct. 1, 1982 did not become effective, with the committee tied 6-6 on the amendment. Any budget amendment requires a majority vote. Both Houses approved the conference report on H.Con.Res. 115 on May 21, 1981. It should be noted that the first budget resolution is merely advisory and not binding upon the Congress. Although the Administration's budget estimate called for a 4.8% comparability adjustment, the House Committee on Post Office and Civil Service voted June 9, 1981 to submit a proposed 5.45% increase to the House Budget Committee for inclusion in the reconciliation bill mandated by the congressional budget process. The Budget Reconciliation Act (P.L. 97-35) retained the 4.8% adjustment recommended for FY82.

On July 9, 1981, the House Appropriations Committee reported H.R. 4120, the Legislative Branch Appropriations Bill, FY82 (H.Rept. 97-170). Included in the bill was language prohibiting the use of funds included within that measure (or any other) to pay salaries of officials in the legislative, executive, or judicial branches at a rate higher than the rate in effect as of Sept. 30, 1981, if such salaries were fixed at a rate equal to or greater than that in effect for level V of the Executive Schedule. This language, in effect, maintained congressional salaries at their current level (\$60,662.50), and denied the recommended 4.8% pay adjustment to senior

executive, legislative and judicial branch employees as well.

On Aug. 31, 1981, President Reagan formally recommended to Congress a 4.8% pay adjustment, effective in October, for most Federal employees, including Members of Congress. Subsequently, the House and Senate passed H.J.Res. 325 (P.L. 97-51), which denied until Nov. 20, 1981, any adjustment, including the President's 4.8%, to top-level Federal officials with a compensation rate of \$50,112.50 or more per annum (Level V of the Executive Schedule). This language maintained Members' salaries at the current level of \$60,662.50.

On Nov. 23, 1981, both Houses approved H.J.Res. 368, Further Continuing Appropriations Act, FY82, extending the provisions of P.L. 97-51 until Dec. 15, 1981 (P.L. 97-85). H.J.Res. 357, a similar resolution, was vetoed by the President on Nov. 23, 1981. In December, the House and Senate agreed to another extension (to Mar. 31, 1982) in the Further Continuing Appropriations Act for FY82, H.J.Res. 370 (P.L. 97-92). The Act provided for a permanent increase of approximately 4.8% in the salaries of Federal employees in Levels III, IV, and V of the Executive Schedule, effective Jan. 1, 1982. Level III was raised to \$59,500; Level IV to \$58,500; and Level V to \$57,500 per annum. At the time, the increase was expected to affect an estimated 40,000 to 50,000 senior Federal executives whose pay had been frozen at \$50,112.50 since Oct. 1, 1979. P.L. 97-92 extended the cap on Member pay through the remainder of FY82. With expiration of the continuing appropriations on Mar. 31, 1982, Congress passed H.J.Res. 409 providing appropriations for the remainder of FY82 for agencies not funded (P.L. 97-161).

Also included in P.L. 97-51 was a second provision creating a "Compensation of Members" permanent appropriation account beginning with FY83 and providing funds for automatic annual adjustments in Member pay beginning with that year. The Act provides further that whenever salaries are adjusted in this manner, the adjusted payments are to be lieu of any sums due Members in prior years but not paid. Thus, for FY83 and thereafter, if Congress allows a scheduled increase in Members' pay to go into effect, it foregoes any prior increases that may have accumulated under prior caps (imposed since 1976) or that may accumulate under future pay caps.

Prior to consideration of H.J.Res. 368, and during consideration of the Further Continuing Appropriations Bill, FY82 (H.J.Res. 357), the Senate on Nov. 19 adopted by a vote of 54-41 an amendment by Senator Stevens raising the pay cap for Levels III, IV, and V of the Executive Schedule, increasing present rates to \$59,500 for Level II, \$58,500 for Level IV, and \$57,500 for Level V. The overall pay raise for the approximately 40,000 employees potentially affected averaged 4.8%. House and Senate conferees on H.J.Res. 357 also endorsed a 4.8% pay increase for Members of the House, increasing the salary rate from \$60,662.50 to \$63,574. The proposed increase did not apply to Members of the Senate.

On Nov. 22, the House by voice vote disagreed with the conference committee proposals for increases in Executive Schedule salary rates and for an increase in the salary rate for House Members. The conference version without these provisions was passed by both Houses on Nov. 22.

Subsequently, H.J.Res. 357 was vetoed by the President on Nov. 23. On that date, both Houses approved H.J.Res. 368, Further Continuing Appropriations Act, FY82 (P.L. 97-85), containing the provisions of P.L. 97-51, Continuing Appropriations Act, FY82, with an amendment extending these provisions until Dec. 15, 1981, in effect continuing the cap on Member pay

and other top-level Federal official pay until that date.

P.L. 97-51, approved Oct. 1, also repealed a 1952 statute that permitted Members to deduct a maximum of \$3,000 in "living expenses" incurred while in Washington, D.C. The 1981 Act provided that starting in 1981 Members are able to deduct from their income taxes all "business" expenses incurred while in Washington, D.C. The repeal of the \$3,000 limitation was originally enacted so as to apply to taxable years beginning after Dec. 31, 1981. During consideration of the Second Continuing Appropriations bill for FY82, H.J.Res. 357, the conference committee added a section to make the repeal of the \$3,000 limitation effective beginning with the 1981 taxable year. The continuing resolution, with this provision, passed Congress, but was vetoed by President Reagan on Nov. 23. On Dec. 15, 1981, a third continuing appropriation bill for FY82, H.J.Res. 370, was enacted containing language making the repeal of the \$3,000 limitation effective with the start of 1981 (P.L. 97-92).

As a result, beginning Jan. 1, 1981, a Member was allowed to deduct as business expenses, without any statutory limitations, living expenses paid or incurred while in the Washington, D.C. area to serve a term of office.

In order to clarify the term "living expenses" as applicable to Members, Congress approved language in P.L. 97-115 directing the IRS to issue guidelines regarding such deductions. Subsequently, Jan. 21, 1982, the IRS issued its guidelines, permitting Members to choose among three alternative methods of calculating their living expenses.

The issue of Members' business-related tax deductions was again before the Congress in four versions of the FY82 Urgent Supplemental Appropriations Bill considered in June and July 1982. During consideration of the first version, H.R. 5922, the Senate adopted an amendment (No. 62) offered by Senator Proxmire reinstating the \$3,000 per annum living expense deduction for Members and eliminating tax changes authorized by Congress in the first session. The House subsequently agreed to the Senate amendment with an amendment placing a 30% limit on outside earned income for Members of both Houses. House Members already were covered by the limitation.

On June 22, the Senate disagreed to the House outside earned income limitation amendment. Subsequently, the House on June 23 voted to recede from its amendment (to the Proxmire Amendment) regarding outside earned income and concurred in the original Proxmire amendment reinstating the \$3,000 deduction, clearing the measure for the President.

However, prior to this House action, the House and Senate both passed a second version of the FY82 Urgent Supplemental, H.R. 6645, on June 23. The House passed the measure without the provision relating to outside earned income, but with a reinstatement of the \$3,000 living expense deduction. Later the same day, the Senate rejected a motion to table (kill) an amendment offered by Proxmire to H.R. 6645 to reinstate the \$3,000 deduction. The Senate within hours set aside H.R. 6645 without agreeing to the proposed Proxmire amendment, upon receiving word that the House passed H.R. 5922 receding from its amendment regarding outside earned income limitation.

On June 24, however, the President vetoed H.R. 5922 with the House voting to sustain the veto the same day.

Subsequent to its vote sustaining the veto, the House, on June 24, passed H.R. 6682, a third version of the Urgent Supplemental with provision for

reinstatement of the \$3,000 tax deduction. The measure was almost identical to H.R. 5922 except that it did not contain the emergency housing mortgage subsidy program to which the President had objected when he vetoed H.R. 5922. The Senate also passed H.R. 6682 on June 24, clearing the measure for the President.

On June 24, subsequent to passage of H.R. 6682, the House passed a fourth version of the FY82 Urgent Supplemental, H.R. 6685, as a back-up measure in case of a veto of H.R. 6682. H.R. 6685 contained the most vital of the urgent supplemental appropriations needed to keep Federal agencies operating through July 20, should H.R. 6682 be vetoed. H.R. 6685 also contained a provision reinstating the \$3,000 deduction.

H.R. 6682 was vetoed by the President on June 25 due to "excessive and unrequested budget authority." Subsequent to the President's veto, the Senate on June 29 passed H.R. 6685, with the \$3,000 tax deduction reinstatement. On July 13, the House sustained the veto and requested a conference with the Senate on H.R. 6685. The measure, with the \$3,000 deduction, was reported from conference and the conference report was adopted by both Houses on July 15, clearing the measure for the President. H.R. 6685 was approved by the President on July 18 (P.L. 97-216).

During the second session, Congress cleared H.J.Res. 409 (P.L. 97-161) providing continuing appropriations for Federal agencies through Sept. 30, 1982. During Senate debate, the issue of congressional pay and tax deductions proved the most controversial issues. The main amendment, offered by Senator Armstrong, would have restored the \$3,000 limit on business-related tax deductions for Members (eliminated in P.L. 97-51). A perfecting amendment offered by Senator Stevens to the Armstrong amendment to reduce the salaries of Members by 10%, beginning Apr. 1, 1982 was adopted by a vote of 63-36. In addition, a further amendment to the Armstrong amendment offered by Senator Tsongas to require printing of Members' tax returns in the Congressional Record was approved by a vote of 55-43. The Senate rejected an amendment by Senator Specter to require Members to provide substantiation for their business-related tax deductions by a vote of 37-60. The three amendments, initially approved by the Senate, were eventually eliminated by a technical point of order. With the Stevens and Tsongas amendments attached to the Armstrong amendment, the Senate agreed that the basic Armstrong amendment constituted legislation in an appropriations bill, and was therefore out of order. The ruling of the chair against the Armstrong amendment was upheld by a 51-48 vote. Earlier, the Senate had voted 57-41 that the original Armstrong amendment was germane to the bill, and hence, in order for consideration.

The President and the Congress have taken several initial steps to set annual comparability adjustment effective October 1982 for most Federal employees, including Members. In his Budget Message to Congress this January, the President proposed an adjustment of 5%. On May 5, the Administration, along with Republicans of the Senate Budget Committee, approved a modified plan to freeze pay rates for those employees at their present levels for October 1982, while allowing pay increases of 4% each for October 1983 and 1984. The proposal was contained in S.Con.Res. 92, the Senate's First Budget Resolution, FY83, which passed the Senate on May 21 by a vote of 49-43 (S.Rept. 97-385).

On May 17, the House Budget Committee reported the House's First Budget Resolution, FY83, H.Con.Res. 345 with provision for a 4% pay adjustment for October 1982 as well as October 1983 and 1984 (H.Rept. 97-521). On May 27,

during House floor consideration of the measure, the House rejected by a vote of 143-281 an amendment by Representative Hoyer providing for a 7% pay raise. The amendment was offered to the amendments (en bloc) of Representatives Latta, Aspin, and Jones which were substitutes to the Budget Committee's version. All three substitutes provided for a 4% pay increase.

On May 27, the House adopted by a vote of 259-159 a second amendment by Hoyer to the Latta, Aspin and Jones substitutes to increase the FY83 budget to accommodate a 5% pay increase. Subsequently, later in the day, the Budget Committee plan (H.Con.Res. 345), as amended, was defeated by a vote of 159-265.

On June 3, the Budget Committee announced that it voted to send to the floor the original budget (as H.Con.Res. 352), making it clear that the Administration's budget was to be reported as a vehicle for consideration of two alternatives, one each from Republicans and Democrats. On June 10, the House considered H.Con.Res. 352, the second version of the First Budget Resolution, FY83. The rule (H.Res. 496, agreed to by a yea-and-nay vote of 339-72) provided that the House consider the resolution, which consisted on the President's original budget (with a 4% pay increase), and two unamendable alternatives - a Democratic substitute offered by Jones, Okla. (with a 5% increase) and a Republican substitute offered by Latta (with a 4% increase). The rule provided that the Democratic substitute be an amendment to the Republican substitute. Thus, the Democratic substitute was the first to be voted upon. A vote was scheduled on the Republican substitute only if the Democratic substitute was rejected, and on the original Reagan budget only if both the Democratic and Republican substitutes were defeated.

During consideration, the Democratic substitute amendment was rejected by a recorded vote of 202-225. Subsequently, the Republican substitute amendment was agreed to by a recorded vote of 220-207. The House then agreed to H.Con.Res. 352 by a yea-and-nay vote of 219-206, with provision for a 4% pay increase. Pursuant to provisions of the rule, passage was vacated and S.Con.Res. 92, the Senate Budget version with provision to freeze pay until Oct. 1983, was agreed to after being amended to contain the language of the House-passed measure, including a 4% pay increase. The resolution was sent to conference the same date. Conferees subsequently agreed on the House version for a 4% pay increase in October 1982, October 1983 and October 1984. On June 22, the House by a vote of 210-208 and the Senate by voice vote adopted the conference report on S.Con.Res. 92.

The language of S.Con.Res. 92 regarding the 4% pay adjustment is advisory, not binding. The President still is required by law to submit no later than September 30 his comparability pay recommendations for Federal employees.

During consideration of the FY82 Supplemental Appropriations Bill (H.R. 6863), the Senate on Aug. 10, 1982, adopted by voice vote an amendment by Senator Stevens appropriating \$160,000 for expenses of the Commission on Executive, Legislative, and Judicial Salaries (as authorized by section 225 of P.L. 90-206) and that the Commission report to the President by Nov. 15, 1982. The amendment further directed that the President submit his recommendations to Congress (without specifying a time) and that such recommendations be in effect for pay periods which begin 30 calendar days after submission to Congress, unless Congress disapproved such recommendations by concurrent resolution. By law the next regularly scheduled Commission is not due to meet until 1984. The Senate amendment was agreed to by conferees with the conference report filed in the House on Aug. 13 (H.Rept. 97-747).

Although the Senate amendment (No. 115) was agreed to by conferees, the House failed to adopt the provision. On Aug. 18, the House by voice vote agreed to a motion to H.R. 6863 to insist on its disagreement with the Senate amendment (providing expenses for the 1982 Commission). Later the same day, the House by a vote of 348-67 agreed to the conference report on H.R. 6863 in disagreement with the amendment. On Aug. 20, the Senate by voice vote agreed to delete the Senate amendment providing for a 1982 Pay Commission, subsequently clearing the bill for the President. H.R. 6863 was vetoed by the President on Aug. 28.

The proposal for a 1982 Commission on Executive, Legislative, and Judicial Salaries came before the House also on Aug. 17 during consideration of H.R. 6955, the Budget Reconciliation bill, FY83. The proposal was initiated in conference on H.R. 6955 and brought to the House floor on Aug. 17 in section 310(c). That section provided that the Commission be reconvened and submit its finding to the President by Nov. 15, 1982, with the President directed to submit his recommendations to Congress "as soon as practicable." The recommendations would go into effect within 30 calendar days unless Congress disapproved such recommendations by concurrent resolution. By a vote of 266-145, the House agreed to a motion to recommit H.R. 6955 to conference due to the 1982 Pay Commission amendment. Subsequently, the amendment was stricken in conference. On Aug. 18 both Houses agreed to the revised conference report.

## LEGISLATION

### Pending Legislative Proposals in the 97th Congress

H.R. 117 (Bennett)

Provides that any increase in the rate of pay for Members of Congress proposed during any Congress shall not take effect earlier than the beginning of the next Congress. Introduced Jan. 5, 1981; referred to Committee on Post Office and Civil Service.

H.R. 2443 (Coelho)

Provides that any increase in the rate of pay for Members of Congress take effect no earlier than the beginning of the next Congress. Introduced Mar. 11, 1981; referred to Committee on Post Office and Civil Service.

H.R. 6265 (Miller of Ohio)

Amends Section 130(c) of P.L. 97-51 to delete provision establishing a permanent appropriation to fund a "Compensation of Members" account beginning with FY83. Introduced May 4, 1982; referred to Committee on Appropriations.

H.Res. 324 (Goodling)

Amends the Rules of the House of Representatives to require a recorded vote upon the passage of any legislation that economically affects Members as a separate class. Introduced Jan. 26, 1982; referred to Committee on Rules.

S. 2407 (Proxmire, Thurmond)

Repeals provisions of law providing for salary adjustments for Members of

Congress; requires that Members not be exempt from requirements for justification of income tax deductions; and provides that legislation increasing Members' compensation, Federal income tax liabilities, and limitations on outside earnings be considered separately from other legislation, be adopted only by a recorded vote, and not take effect until the start of the Congress following the Congress in which approved. Introduced Apr. 21, 1982; referred to Committee on Governmental Affairs.

S.J.Res. 164 (Stevens)

Amends the Constitution to provide that the compensation and allowances of Members of Congress be established biennially by the Supreme Court of the United States. Introduced Mar. 11, 1982; referred to Committee on the Judiciary.

#### HEARINGS

U.S. Congress. Senate. Committee on Post Office and Civil Service. Executive, Legislative, and Judicial Salaries. Hearings, 93d Congress, 1st session, on S. 1989. June 26, 1973. Washington, U.S. Govt. Print. Off., 1973. 34 p.

----- Executive, Legislative, and Judicial Pay. Hearings, 93d Congress, 2d session, on S. 3049, S. 3550, and S. 3551. June 19 and 20, 1974. Washington, U.S. Govt. Print. Off., 1974. 333 p.

#### REPORTS AND CONGRESSIONAL DOCUMENTS

U.S. Congress. House. Committee on Post Office and Civil Service. Congressional salary deferral; a report on H.R. 9282 together with supplemental views. Washington, U.S. Govt. Print. Off., 1977. 18 p. (95th Congress, 1st session. House. Report no. 95-717, Part I)

----- Executive, legislative, and judicial salaries. July 11, 1975. Washington, U.S. Govt. Print. Off., 1975. 61 p.  
At head of title: 94th Congress, 1st session. Committee print 94-3.

----- The report of the Commission on Executive, Legislative, and Judicial Salaries. Dec. 6, 1976. Washington, U.S. Govt. Print. Off., 1976. 72 p.  
At head of title: 94th Congress, 2d session. Committee print 94-27.

U.S. Congress. Senate. Committee on Post Office and Civil Service. Disapproval of the Federal statutory pay reduction; a report on S.Res. 239 (to disapprove the alternative plan for pay adjustments for Federal employees). Washington, U.S. Govt. Print. Off., 1975. 5 p. (94th Congress, 1st session. Senate. Report no. 94-371).

----- Documentary history of Federal pay legislation, 1975. Washington, U.S. Govt. Print. Off., 1975. 534 p.  
At head of title: 94th Congress, 2d session. Committee



print.

CHRONOLOGY OF EVENTS

- 12/21/82 -- The President signed into law H.J.Res. 631, FY83 Further Continuing Appropriations, with provision establishing a new cap on the salaries of Members of the House of Representatives and other senior Federal officials, except for Members of the Senate.
- 10/02/82 -- The President signed into law H.J.Res. 599 (P.L. 97-276) with provision extending the pay cap for Members and other senior Federal officials earning \$57,500 or more until Dec. 17, 1982.
- 08/20/82 -- The Senate by voice vote agreed to a motion (to H.R. 6863, FY82 Supplemental Appropriations) to agree with House and delete language in the conference (Senate Amendment No. 115) providing funds for a 1982 Commission on Executive, Legislative, and Judicial Salaries.
- 08/18/82 -- The House by a vote of 348-67 agreed to the conference report on H.R. 6863, FY82 Supplemental Appropriations Bill, in disagreement with Senate amendment No. 115 providing \$160,000 for expenses of the Commission on Executive, Legislative, and Judicial Salaries required to submit its recommendations to the President by Nov. 15, 1982.
- The House by voice vote agreed to a motion (on H.R. 6863, FY82 Supplemental Appropriations Bill) to insist on its disagreement with Senate amendment No. 115 providing \$160,000 for expenses of the Commission on Executive, Legislative, and Judicial Salaries required to submit its recommendations to the President by Nov. 15, 1982. The amendment further provided that the recommendations of the President to Congress become effective within 30 calendar days after submission, unless disapproved by concurrent resolution.
- The House by a vote of 243-176 adopted the conference report on H.R. 6955, the Budget Reconciliation bill, FY83, without the conference initiated proposal to reconvene the Commission on Executive, Legislative, and Judicial Salaries in 1982 (See immediately below). The provision was deleted in the second conference on the bill.
- 08/17/82 -- The House by a vote of 266-145 agreed to a motion to recommit to conference H.R. 6955, the Budget Reconciliation bill, FY83, with a conference initiated proposal to reconvene the Commission on Legislative, Executive, and Judicial Salaries, mandated to report its recommendations to the President by Nov. 15, 1982. The provision required that upon submission of recommendations by

the President to Congress, such recommendations become effective for pay periods which begin 30 calendar days after submission, unless Congress disapproves by concurrent resolution.

- 08/10/82 -- The Senate by voice vote adopted Stevens amendment to H.R. 6863, FY82 Supplemental Appropriations, to provide funds for the Commission on Executive, Legislative, and Judicial Salaries and that the Commission report its recommendations to the President by Nov. 15, 1982. The amendment provides that upon submission of recommendations by the President to Congress, such recommendations become effective for pay periods which begin 30 calendar days after submission, unless Congress disapproves by concurrent resolution.
- 07/18/82 -- The President approved H.R. 6685, P.L. 97-216, FY82 Urgent Supplemental Appropriations, with provision reinstating the \$3,000 tax deduction for Members.
- 07/15/82 -- The House, by a vote of 389-13, agreed to the conference report on H.R. 6685, FY82 Urgent Supplemental Appropriations, with provision reinstating the \$3,000 tax deduction for Members.
- The Senate by voice vote agreed to the conference report on H.R. 6685, with provision for reinstatement of the \$3,000 tax deduction for Members.
- 07/13/82 -- The House requested conference with the Senate on H.R. 6685, fourth version of the FY82 Urgent Supplemental.
- The House by a vote of 242-169, sustained the President's veto of H.R. 6682, third version of the FY82 Urgent Supplemental.
- 06/29/82 -- The Senate by voice vote passed H.R. 6685, fourth version of the FY82 Urgent Supplemental with provision for reinstatement of the \$3,000 tax deduction for Members.
- 06/25/82 -- The President vetoed H.R. 6682, Urgent Supplemental Appropriations FY82 (H.Doc. 97-205), with provision reinstating the \$3,000 tax deduction for Members.
- 06/24/82 -- The Senate passed, by a vote of 59-26, H.R. 6682, the third version of FY82 Urgent Supplemental Appropriations, with provision reinstating the \$3,000 tax deduction for Members, clearing the measure for the President.
- The House passed, by a vote of 342-25, H.R. 6685 a fourth version of the FY82 Urgent Supplemental Appropriations, with provision for reinstatement of the \$3,000 tax deduction for Members.
- Subsequent to the House vote to sustain the President's veto of H.R. 5922, the House passed, by a vote of

267-106, H.R. 6682, a third version of the FY82 Urgent Supplemental Appropriations, with provision for reinstatement of the \$3,000 tax deduction for Members.

- The House, by a vote of 253-151 sustained the President's veto of H.R. 5922, FY82 Urgent Supplemental Appropriations.
- The President vetoed H.R. 5922, Urgent Supplemental Appropriations, FY82 (H.Doc. 97-204).
- 06/23/82 -- The Senate agreed, by a vote of 54-45 to the conference report on S.Con.Res. 92, First Budget Resolution, FY83, with provision for a 4% pay increase for most Federal employees, including Members.
- The House passed, by voice vote, H.R. 5922, Urgent Supplemental Appropriations, FY82, receding from its amendment (regarding outside earned income) and concurred in Senate amendment 62 (reinstating the \$3,000 per annum living expense deduction for Members), clearing the measure for the President.
- The Senate rejected, by a vote of 21-76, a motion to table (kill) the Proxmire amendment to reinstate the \$3,000 tax deduction, to H.R. 6645. Subsequently, the Senate set aside H.R. 6645 without agreeing to the proposed Proxmire amendment.
- The House passed, by voice vote, a second version of the FY82 Urgent Supplemental Appropriation, H.R. 6645, without provisions relating to outside earned income and reinstatement of the \$3,000 per annum living expense deduction for Members.
- 06/22/82 -- The Senate disagreed, by a vote of 54-42, to the amendment of the House (on outside earned income limitations) to Senate amendment 62 (reinstating the \$3,000 per annum living expense deduction for Members) on H.R. 5922, Urgent Supplemental, FY82.
- The House passed by a vote of 210-208 the conference on S.Con.Res. 92, First Budget Resolution, FY83, with provision for a 4% pay increase for most Federal employees, including Members.
- The Senate by voice vote agreed to the conference report (S.Rept. 97-478) on H.R. 5922, Urgent Supplemental Appropriations, FY82, scheduling for June 23 consideration of the House amendment to Senate amendment 62, restoring the \$3,000 per annum living expense deduction and placing a 30% limit on outside earned income for Members of both Houses.
- 06/16/82 -- The House agreed by voice vote to the conference report on H.R. 5922, Urgent Supplemental Appropriations, FY82, with provision for reinstatement of \$3,000 per annum living expense tax deduction and a cap of 30% on outside earned income limitation for Members of

both Houses.

- The House receded from its disagreement and concurred with an amendment to Senate amendment No. 62, reinstating the \$3,000 living expenses deduction, to H.R. 5922, Urgent Supplemental Appropriations, FY82. The House agreed to the motion to recede on a division of the question and by a vote of 381 to 29 agreed to the motion to concur with an amendment, to limit outside earned income to 30% for Members of both Houses.
  
- 06/10/82 -- The House, pursuant to the rule (H.Res. 496) to H.Con.Res. 352, vacated passage of H.Con.Res. 352 and agreed to S.Con.Res. 92, the Senate budget version, which provided for no pay increase in FY82 after amendments, one of which provided for a 4% pay increase for FY82.
  - The House agreed to H.Con.Res. 352 by a yea-and-nay vote of 219-206, with provision for a 4% pay increase.
  - The House agreed to the Republican (Latta) substitute amendment to H.Con.Res. 352 by a vote of 220-207, with provision for a 4% pay increase for most Federal employees, including Members.
  
- 06/09/82 -- The Rules Committee granted a modified rule providing for consideration of H.Con.Res. 352, Budget Resolution, making in order two amendments in the nature of a substitute (1) Latta amendment providing for a 4% pay increase for most Federal employees, including Members, and (2) Jones amendment providing for a 5% pay increase.
  - The House named conferees on H.R. 5922, agreeing to a motion to instruct House conferees to agree to the Senate amendment restoring the \$3,000 per annum living expense deduction for Members.
  - The House agreed by a vote of 378-7 to Myers motion, as amended by the Schroeder amendment, to instruct conferees on H.R. 5922 to accept Senate amendment no. 62.
  - The House adopted, by a vote of 356-43, Schroeder amendment to the Myers motion (see below), to instruct conferees on H.R. 5922 to accept Senate amendment 62, restoring the \$3,000 limit on business-related tax deductions claimed by Members of Congress.
  - The House rejected by a vote of 176-218 a motion to order the previous question (thus ending debate and the possibility of an amendment) on Myers motion to instruct the House conferees on H.R. 5922, Urgent Supplemental, FY82, to accept Senate amendment 62, restoring the \$3,000 tax deduction for Members, with an amendment to allow all business-related tax deductions, even in excess of \$3,000, provided they were substantiated. A modified version of Myers' instruction subsequently was adopted (see above).

- 06/07/82 -- The House Budget Committee reported H.Con.Res. 352, the House's second version of the First Budget Resolution, FY83, with provision for a 4% pay increase for most Federal employees, including Members, effective October 1982 (H.Rept. 97-597).
- 05/27/82 -- The House failed to pass by a vote of 159-265, H.Con.Res. 345, with provision for a 5% pay increase for most Federal employees, including Members, effective October 1982.
- The House adopted by a vote of 259-159 an amendment by Hoyer to the Republican substitute amendment to H.Con.Res. 345 to increase the FY83 budget to accommodate a 5% pay increase for most Federal employees, including Members.
- The House rejected by a vote of 143-281 an amendment by Hoyer to the Republican substitute amendment to H.Con.Res. 345, First Budget Resolution, FY83, to increase the FY83 budget to accommodate a 7% pay increase for most Federal employees, including Members.
- The Senate passed, by a vote of 69-23, H.R. 5922, Urgent Supplemental Appropriations, FY82, with Proxmire amendment No. 62 restoring the \$3,000 tax deductions.
- The Senate adopted, by a vote of 70-23, Proxmire amendment No. 62, to restore the \$3,000 per annum annual limit on business-related tax deductions claimed by Members. The amendment was made to H.R. 5922, Urgent Supplemental Appropriations, FY82.
- 05/21/82 -- The Senate passed, by a vote of 49-43, S.Con.Res. 92, with the same pay provisions as reported by the Senate Budget Committee (see below).
- 05/17/82 -- The House Budget Committee reported H.Con.Res. 345, First Budget Resolution, FY83, with provision for a 5% pay increase for most Federal employees, effective October 1982 (H.Rept. 97-521).
- 05/10/82 -- The Senate Budget Committee reported S.Con.Res. 92, First Budget Resolution, FY83, with provision for no pay increase for most Federal employees, including Members, effective October 1982, but for pay increases of 4% in each October 1983 and 1984 (S.Rept. 97-385).
- 03/31/82 -- The Senate passed by a vote of 81-18 H.J.Res. 409, Continuing Appropriations, FY82, without pay or tax amendments.
- The Senate agreed to a motion by a vote of 52-47 on H.J.Res. 409 to table (kill) the Exon motion to reconsider the vote by which the Senate upheld the chair's ruling that the Armstrong amendment was out of order.
- The Senate upheld a ruling of the chair by a vote of 51-48 on H.J.Res. 409 that the Armstrong amendment was out of order

because it constituted legislation in an appropriations bill. See description of amendment in above vote. The Armstrong amendment would have restored the \$3,000 per annum living expense deduction for Members.

- The Senate rejected by a vote of 31-68 on H.J.Res. 409 Hatfield motion to table (kill) the Armstrong amendment, as amended. The Armstrong amendment, as amended, restored the \$3,000 living expenses deduction and reduced the salaries of Members by 10%.
  - The Senate adopted by a vote of 63-36 on H.J.Res. 409 Stevens amendment to the Armstrong amendment to reduce the salaries of Members by 10%. The Armstrong amendment restored the \$3,000 living expense deduction.
  - The Senate rejected a motion by a vote of 32-65 on H.J.Res. 409 to table (kill) the Armstrong amendment which would have restored the \$3,000 living expense deduction for Members.
  - The Senate ruled as germane by a vote of 57-41 on H.J.Res. 409 the Armstrong amendment which restored the \$3,000 living expense deduction for Members.
- 03/30/82 -- The Senate adopted by a vote of 55-43 on H.J.Res. 409 Tsongas amendment (to the Armstrong amendment) to require each Member of Congress to insert copies of his or her Federal tax returns in the Congressional Record each year.
- The Senate rejected by a vote of 24-74 on H.J.Res. 409 Stevens amendment (to the Armstrong amendment) to limit any tax reduction due to deductions for Washington, D.C. living expenses in any taxable year to no more than \$5,000 per Member of Congress and to require each Member to insert copies of his or her Federal tax returns in the Congressional Record each year. Armstrong amendment restored the \$3,000 living expense deduction for Members.
  - The Senate rejected by a vote of 37 to 60 on H.J.Res. 409 a Specter amendment (to the Armstrong amendment) to eliminate tax code provisions that allow Members to deduct living expenses without substantiation of such expenses.
  - The Senate rejected Baker motion by a vote of 20-77 to H.J.Res. 409 to table (kill) the Armstrong amendment to restore the previous \$3,000 limit on Federal income tax deductions Members may take for Washington, D.C. living expenses, repealing provisions allowing greater deductions that Congress had passed in 1981.
- 12/16/81 -- The President signed into law H.R. 5159 (P.L. 97-107).
- The Senate adopted, by a vote of 46 to 44, Dole amendment to the Dole substitute amendment to H.R. 5159, the Black Lung Benefits bill. The amendment as adopted would require the Secretary of the Treasury to prescribe an "appropriate" amount of business tax deductions

that can be taken by Members of Congress without having to substantiate those expenses. The House subsequently agreed to the Senate amendments by a vote of 363 to 47.

- 12/15/81 -- The President signed into law H.J.Res. 370 (P.L. 97-92) with provisions (1) extending the pay cap for senior Federal officials, including Members, until Sept. 30, 1982; (2) increasing by 4.8% the rate of pay for Levels III, IV, and V of the Executive Schedule; and (3) changing the effective date of the tax provision regarding Members (as approved in P.L. 97-51) from Jan. 1, 1982 to Jan. 1, 1981.
- 12/11/81 -- The Senate by a vote of 60-35 passed H.J.Res. 370, Continuing Appropriations, FY82 (through Mar. 31, 1982) with provision passed on Dec. 10.
- 12/10/81 -- The House by a vote of 218-197 passed H.J.Res. 370, Continuing Appropriations, FY82 (through Mar. 31, 1982), with provision extending the pay cap for senior Federal officials, including Members, until Sept. 30, 1982, increasing the pay rates for Levels III, IV, and V of the Executive Schedule (to \$59,500, \$58,500, and \$57,500, respectively), and changing the effective date for tax changes regarding (as approved in P.L. 97-51) Members from Jan. 1, 1982 to Jan. 1, 1981.
- 11/23/81 -- The President approved H.J.Res. 368 (P.L. 97-85), extending the provisions of P.L. 97-51, including the cap on Members' pay, and the pay of other Federal officials, until Dec. 15, 1981.
- The Senate passed by a vote of 88-1 H.J.Res. 368, Further Continuing Appropriations Bill, FY82 (to Dec. 15), for Government agencies whose regular 1982 appropriations had not yet been enacted. The House subsequently passed the resolution by a vote of 376 to 26.
- The President vetoed H.J.Res. 357, Further Continuing Appropriations Act, FY82.
- 11/22/81 -- The House by voice vote rejected two provisions contained in the conference report on H.J.Res. 357, Further Continuing Appropriations Act, FY82: (1) providing for an approximate 4.8% increase in the rates of pay for Levels III, IV, and V of the Executive Schedule; and (2) providing for a 4.8% increase in the rate of pay for only Members of the House, from \$60,662.50 to \$63,574 per annum.
- 11/19/81 -- The Senate passed by a vote of 70-26 H.J.Res. 357, Second Continuing Appropriations Bill, FY82 (to Mar. 30, 1982), with provision for a 4.8% pay increase for Executive Schedule levels III, IV, and V, effective Dec. 1, 1981.
- The Senate by a vote of 54-41 adopted Stevens

amendment to H.J.Res. 357, Second Continuing Appropriations Bill, FY82 (to Mar. 30), to increase by 4.8% the pay of Executive Levels III, IV, and V (to \$59,500, \$58,500, and \$57,500, respectively). Pay increase was to become effective Dec. 1, 1981.

- The Senate by a vote of 5-90 rejected Stevens amendment to the Stevens amendment (see above) to H.J.Res. 357, Second Continuing Appropriations Bill, FY82 (to Mar. 30), to allow a 4.8% increase, beginning Dec. 1, 1981, for Levels I and II of the Executive Schedule and for Members of Congress.
- 10/01/81 -- The President signed H.J.Res. 325 into law (P.L. 97-51), First Continuing Appropriations Act, FY82, imposing a temporary cap on the pay of Members of Congress and other senior-level Federal officials, until Nov. 20, 1981.
- 09/30/81 -- The Senate by a vote of 48-44 agreed to Hatfield motion to accept language proposed by House-Senate conferees to provide for a "Compensation of Members" permanent appropriation of funds for congressional pay increases, when recommended by the President and upheld by Congress.
  - The House by voice vote and Senate by a vote of 64-28 agreed to the conference report on H.J.Res. 325 with a cap on the pay of Members of Congress and other senior-level Federal officials until Nov. 20, 1981, and creating a "Compensation of Members" permanent appropriation account beginning with FY83 and providing funds for automatic annual adjustments in Member pay beginning with that year. In addition to providing continuing appropriations for most Federal agencies, H.J.Res. 325 included regular annual FY82 appropriations for the legislative branch.
- 09/25/81 -- The Senate passed by a vote of 47-44 H.J.Res. 325, First Continuing Appropriations Bill, FY82 (to Nov. 20), with provisions for removal of the \$3,000 limit on tax deductions for living expenses of Members while away from home and removal of the pay cap for Federal officials in the Executive Schedule.
- 09/24/81 -- The Senate by a vote of 50-45 adopted Stevens amendment to H.J.Res. 325, First Continuing Appropriations Bill, FY82 (to Nov. 20), to remove the pay cap for Federal officials in the Executive Schedule and allow a 4.8% pay increase to take effect. The amendment excluded Members of Congress.
  - The Senate by a vote of 50-48 adopted Stevens amendment to H.J.Res. 325, First Continuing Appropriations Bill, FY82 (to Nov. 20), to remove the existing \$3,000 limit on tax deductions for living expenses for Members of Congress while away from



home.

- The Senate by a vote of 44-54 overturned a ruling of the chair that the Stevens amendment (see immediately above) to H.J.Res. 325, First Continuing Appropriations Bill, FY82 (to Nov. 20), was out of order because it constituted legislation on an appropriations bill. The Stevens amendment proposed to remove the \$3,000 limit on tax deductions for living expenses of Members of Congress while away from home.
  
- 03/12/81 -- The House, by voice vote, adopted H.Res. 109 giving the "sense of the House" that a 16.8% pay increase for top-level Federal officials, including Members of Congress, would be "inappropriate at this time."
  
- The Senate, by a vote of 93-0, adopted S.Res. 89, disapproving a 16.8% salary increase for Members of Congress.
  
- The Senate, by a vote of 91-3, adopted S.Res. 90, disapproving a 16.8% salary increase for certain officials of the legislative branch.
  
- The Senate, by a vote of 87-8, adopted S.Res. 91, disapproving a 16.8% salary increase for certain members of the judicial branch.
  
- The Senate, by a vote of 86-7, adopted S.Res. 92, disapproving a 16.8% salary increase for top-level officials in the executive branch.
  
- 01/07/81 -- President Carter submitted to Congress his message on Federal Executive, Legislative, and Judicial Salaries (H. Doc. No. 97-6) recommending a 16.8% pay increase for Members of Congress and other top-level Federal officials.

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