



January 13, 2009

Stop Congress's Automatic Pay Hike

Dear Representative:

On behalf of the 362,000 members of the National Taxpayers Union (NTU), I urge you to cosponsor bipartisan legislation (H.R. 156) that would prevent an automatic \$4,700 pay increase for Members of Congress in 2010. If passed, H.R. 156 would save taxpayers an estimated \$2.5 million.

Rank-and-file Members of Congress currently make an annual salary of \$174,000 (more than double the median household income of about \$80,000 for the Washington, D.C. metro area, including wealthy suburbs). This sum doesn't include taxpayer funds used for lavish pensions, health plans, and generous allowances for travel, staff, and office expenses. Especially in light of troubled economic indicators, Congress should reject an automatic pay hike that would pad an already sizeable Congressional compensation package.

How did this auto-pilot pay raise system come about? As explained by Pete Sepp in the NTU Foundation Policy Paper "Congressional Perks: How the Trappings of Office Trap Taxpayers," it didn't start out this way:

According to Article I of the U.S. Constitution, compensation paid to Members of Congress "shall be ascertained by law." The Founding Fathers intended Congress to set its own pay through the appropriations process, on the supposition that Members would be guided by their own sense of honor. In fact, lawmakers lived without a yearly salary up until 1854, having contented themselves prior to that time with a per-diem system that paid a flat rate for each day Congress was in session.

But thanks to a series of post-war measures, culminating in a 1989 "ethics" law, Members of Congress have sought to avoid accountability for salary hikes. Annual pay raises are now tied to the Labor Department's Employment Cost Index:

COLAs [Cost of Living Adjustments] now take effect once the TTHUD bill [or in recent years the Financial Services Appropriations Bill] becomes law, although taxpayers would never be able to identify any language in the bill that appears to authorize these pay grabs. Members of Congress would need to specifically vote on, or insert, language blocking the raise if they do not want the increase to occur.

Taxpayers are thus condemned to fight a bizarre annual battle over a COLA whose existence is only recognized when Congress opts to block it.

Even though Members of Congress received automatic pay increases each year between 2000 and 2006, taxpayers were enthused to see the House reject a pay hike for 2007. **We were flabbergasted that the House accepted its 2008 and 2009 pay raises by failing to schedule votes to block them.** We're counting on you to make a stand against automatic Congressional pay increases this year by cosponsoring H.R. 156 and directing the resulting savings toward reducing the deficit.

Sincerely,

Kristina Rasmussen
Director of Government Affairs