§ 358. Recommendations of President with respect to pay

(1) After considering the report and recommendations of the Commission submitted under section 357 of this title, the President shall transmit to Congress his recommendations with respect to the exact rates of pay, for offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of section 356 of this title, which the President considers to be fair and reasonable in light of the Commission’s report and recommendations, the prevailing market value of the services rendered in the offices and positions involved, the overall economic condition of the country, and the fiscal condition of the Federal Government.

(2) The President shall transmit his recommendations under this section to Congress on the first Monday after January 3 of the first calendar year beginning after the date on which the Commission submits its report and recommendations to the President under section 357 of this title.

The Commission’s report, submitted to me on December 14, 1988, documented both the substantial erosion in the real level of Federal executive pay that has occurred since 1969 and the recruitment and retention problems that have resulted, especially for the Federal judiciary. The Commission is to be commended for its diligent and conscientious effort to address the complicated and complex problems associated with Federal pay levels.

The Commission found that Federal executives and legislators have experienced a decline of approximately 35 percent in real salaries since 1969. In contrast, the salaries of General Schedule employees have declined by only 8 percent over the same period. The Commission’s recommendations go a long way towards compensating for this salary erosion, but they do not make up the full gap. For example, for an official at Executive Level II, which is also the Congressional salary rate, the salary level adjusted for inflation since 1969 would be $140,340, while the Commission’s recommendation is $135,000.

Every one of the Commissions that has met over the past 20 years concluded that a pay increase for key Federal officials was necessary. Each Commission found that pay for senior Government officials fell far behind that of their counterparts in the private sector. They also surmised that we cannot afford a Government composed primarily of those wealthy enough to serve.

In accepting the Commission’s salary recommendations, I recognize that we are under a mandate to reduce the Federal deficit and hold the costs of Government to an absolute minimum. Thus, while I have decided to propose a pay increase that accepts in full the salary recommendations made by the Commissioners in their report to me last month, this proposal will not increase the deficit; the funding for the pay increase will be fully absorbed within proposed budget levels.

This increase fulfills my promise made in January 1987, that, assuming continued progress toward eliminating the deficit and favorable economic conditions, I would recommend another step toward overcoming the erosion of real income.

While this represents a substantial increase in salaries, it is coupled with the salutary recommendation of a ban on receipt of all honoraria in all branches of Government. Although my recommendation concerning honoraria has no legal effect, I urge the swiftest possible consideration of this important reform. The Commission further recommended that Congress enact legislation to bar officials in the three branches from receiving honoraria. I endorse these recommendations of the Commission as an appropriate step toward better government. A salary increase and a prohibition on receipt of honoraria together will help ensure that the Government is able to attract and keep talented senior officials and that the questions that arise from outside payments of honoraria are put to rest.

Accordingly, pursuant to subparagraphs (A), (B), (C), and (D) of section 225 (f) and section 225(h) of Public Law 90–206 (81 Stat. 643 and 644), as amended [2 U.S.C. 356 (A)–(D), 358] [this section]:

For the Vice President of the United States
$175,000

For offices and positions under the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code, as follows:

Positions at level I 155,000
Positions at level II 135,000
Positions at level III 125,000
Positions at level IV 120,000
Positions at level V 115,000

For the Speaker of the House of Representatives
175,000

For the President Pro Tempore of the Senate, majority leader and minority leader of the Senate, and majority leader and minority leader of the House of Representatives
155,000

For Senators, Members of the House of Representatives, Delegates to the House of Representatives, and the Resident Commissioner from Puerto Rico
135,000

For other officers and positions in the legislative branch as follows:

Comptroller General of the United States 135,000
Deputy Comptroller General of the United States, Librarian of Congress, and Architect of the Capitol 125,000
General Counsel of the General Accounting Office, Deputy Librarian of Congress, and Assistant Architect of the Capitol 120,000

For Justices, judges, and other personnel in the judicial branch as follows:

Chief Justice of the United States 175,000
Associate Justices of the Supreme Court 165,000

Judges:
U.S. Courts of Appeals
140,000

Court of Military Appeals
140,000

U.S. District Courts
135,000

Court of International Trade
135,000

Tax Court of the United States
135,000

U.S. Claims Court
135,000

Sincerely,
Ronald Reagan.

1 Editorial note. This is the text of identical letters addressed to the Speaker of the House of Representatives and the
President of the Senate, which were transmitted on January 9, 1989.

Disapproval of Salary Recommendations for 1989 Increases

Pub. L. 101–1, Feb. 7, 1989, 102 Stat. 3, provided: “That the Congress disapproves in their entirety the
recommendations transmitted to the Congress by the President on January 9, 1989, under section 225(h) of the Federal
Salary Act of 1967.”

Prior Salary Recommendations

A prior recommendation of the President for increases in executive, legislative, and judicial salaries, which was
12, 1987, 101 Stat. 94. However, such recommendation became effective pursuant to section 359 of this title.

A prior recommendation of the President for increases in executive, legislative, and judicial salaries, which was
was disapproved by House Resolution No. 109, Ninety-sixth Congress, Mar. 12, 1981, Senate Resolution No. 89,
12, 1981.

A prior recommendation of the President for increases in executive, legislative, and judicial salaries was transmitted

A prior recommendation of the President for increases in executive, legislative, and judicial salaries was transmitted