

Rep. Rothman to Urge President Obama to Support One-Time \$500 Payment to Social Security Recipients

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Washington, DC – Representative Steve Rothman (D-NJ), a member of the House Appropriations Committee, is asking his colleagues in the U.S. House of Representatives to join him in sending the following letter to President Barack Obama regarding the expected lack of a cost-of-living adjustment (COLA) for Social Security beneficiaries in 2011:

Dear President Obama:

The Social Security Administration announced today that there will be no cost-of-living adjustment (COLA) for Social Security beneficiaries in 2011 for the second year in a row. We appreciated your leadership on this issue last year, when you included funds for a \$250 supplemental payment for Social Security recipients in your Fiscal Year 2011 Budget Request, and we are very disappointed that this effort was blocked in the Senate. In light of today's announcement, we are writing to urge you to include a \$500 payment for seniors in your Budget Request for next year to make up for the lack of COLA for 2010 and 2011. This supplemental payment would help millions of seniors, who depend on their hard-earned Social Security benefits, to make ends meet.

As a result of the recession, the Consumer Price Index has not been sufficiently high to trigger a cost-of-living adjustment over the past two years. Medical costs, however, have continued to increase, straining the fixed budgets of American seniors. Moreover, Medicare Part D premiums, which are deducted from Social Security payments for many beneficiaries, have continued to rise, leaving millions of seniors with a lower monthly income. It is clear that the Consumer Price Index, which is the current measure used to compute the Social Security COLA, understates cost-of-living expenses of older Americans, who face much higher medical costs than the rest of our society. While we must work to permanently fix this flawed formula to ensure that this never happens again, seniors urgently need financial relief after a second year without a COLA.

This recession, like any other economic downturn, has had the harshest effects on the most vulnerable in our society. We owe it to American seniors to honor the promise made to them in their working years, and ensure that they do not face poverty in their golden years after a life of hard work.

We appreciate your leadership in protecting seniors and look forward to working with you on this very important issue.

Sincerely,

Steve Rothman

Member of Congress

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