

Response to Announcement of No Social Security Cost-of-Living-Adjustment for Next Year

(Washington, D.C.) – U.S. Rep. Rush Holt (NJ-12) today urged passage of legislation to provide Social Security recipients with a one-time \$250 payment. On Friday, the Social Security Administration (SSA) announced there will be no automatic Cost-of-Living-Adjustment for 2011. That means that for the first time ever, 2011 will be the second consecutive year that Social Security retirees, veterans, and individuals with disabilities will see no increase in their monthly Social Security, SSI, VA Pension and Compensation, and Railroad Retirement benefits. The COLA is calculated automatically using data on inflation published by the Bureau of Labor Statistics (BLS). In 2009, Social Security recipients saw a 5.8 percent increase in their benefits, the largest since 1982, as a result of rising costs; but in 2010, they saw no COLA at all.

“Millions of Americans rely on Social Security income for their groceries, housing, and other expenses. In light of the disappointing news that – as a result of the COLA formula – seniors will see no increase in their monthly income, we should pass a one-time \$250 payment to help them make ends meet,” Holt said.

Holt is a supporter of the Seniors Protection Act, fully paid for, which would provide the one-time \$250 payment. Last year, Holt helped pass the American Recovery and Reinvestment Act, which provided a \$250 payment to recipients of Social Security, SSI, Railroad Retirement, and Veterans Disability Compensation. He also supported the health reform law, which provided a \$250 rebate to the 8,300 seniors on Medicare in New Jersey's Twelfth District who experience the coverage gap in prescription drug expenses. Both of those payments were fully paid for.

Holt consistently has supported a fairer cost-of-living adjustment calculation for Social Security in order to keep pace with the actual increases in the true cost of living. Holt also has worked to bridge the gap between payments to government employees and workers in the private sector. He has sponsored legislation that would amend the Social Security Act to repeal the Government pension offset and windfall elimination provisions that hurt senior citizens.

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