



FIGHTING for PENNSYLVANIA FAMILIES

Boosting Benefits and COLAs for Seniors Act

Senator Bob Casey (D-PA)

Social Security is a financial foundation for retired, disabled, and low-income workers. Signed into law on August 14, 1935, the programs created by the Social Security Act are 88 years old and now serve over 66 million beneficiaries. Approximately 78 percent of beneficiaries are retired workers and family members, 13.2 percent are disabled workers and their families, and 8.8 percent are survivors of deceased workers.

Social Security is an earned benefit that is critical to the economic security of older adults: for four in 10 retirees in 2015, Social Security provided at least 50 percent of their income—and without Social Security benefits, four in 10 older adults would be living below the poverty line.

Each year, Social Security benefits are adjusted by the Cost-of-Living Adjustment (COLA) formula. The COLA is currently based on the Consumer Price Index for Urban Wage Earners (CPI-W) from the previous year. CPI-W is reflective of the everyday spending of Americans, and includes expenses like food, consumer goods, and housing, among others.

Despite this, Social Security benefits have not kept up with costs and older adults are left struggling to afford food, medications, clothing, and other necessities. The Consumer Price Index for Americans aged 62 or older (CPI-E) is another price index that is more reflective of the actual costs incurred by older adults; for example, within CPI-E, medical expenses are weighted more heavily than they are in CPI-W.

It is critical that we protect and expand benefits for older adults who rely on them, and the ***Boosting Benefits and COLAs for Seniors Act*** will make much needed changes to the COLA calculation, resulting in higher benefits that are reflective of the experiences of older adults.

Specifically, the ***Boosting Benefits and COLAs for Seniors Act*** would:

- Direct the Social Security Administration (SSA) to adjust benefits based on CPI-E rather than CPI-W, if CPI-E would result in a larger increase in benefits;
- Directs the Bureau of Labor Statistics to calculate and publish the CPI-E on a monthly basis.

Cosponsors: Senators Blumenthal, Welch, and Fetterman



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Endorsing Organizations: Arc of the United States; Alliance for Retired Americans; American Federation of Government Employees; American Federation of State, County and Municipal Employees; California Alliance for Retired Americans; Justice in Aging; National Committee to Preserve Social Security and Medicare; National Education Association; National Organization of Social Security Claimants Representatives; Social Security Works; Strengthen Social Security Coalition.