



# Retired Public Employees Association

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John J. McPadden, *President* Edward C. Farrell, *Executive Director*

September 7, 2016

Honorable Eliot Engel  
United States Congress  
2462 Rayburn HOB  
Washington, DC 20510

Dear Congressman Engel;

Re: Social Security COLA Formula

As you are aware, due to the low rate of inflation, there was no cost of living adjustment (COLA) this year for those receiving Social Security. Preliminary estimates indicate that the same may also be true for 2017.

The current COLA formula is based on the Consumer Price Index for Urban Wage Earners and Clerical Workers. This formula measures the basket of goods and services of working people, who, by mere definition, are younger and healthier than retirees. Also, while the cost of transportation (a factor in the index) has dropped, this has little impact on seniors who tend to drive less. The true inequity in the formula is that there should be greater emphasis on the one overriding factor affecting seniors, namely health care and prescription drug costs. After all, we are talking about people already receiving Social Security.

The COLA decision date is just two months away, and we realize nothing can change for this year. However, Congress should enact legislation directing that in future years a more appropriate consumer index is used. I urge you to support senior citizens in New York who very much depend on Social Security. Thank you.

Sincerely,

Jack McPadden  
President