



# AFSCME Retirees Bulletin

## **Boosting Benefits and COLAs for Seniors Act (S. 3974)** ***Tell Your Senator to Co-sponsor S. 3974***

AFSCME urges Congress to pass the Boosting Benefits and COLAs for Seniors Act (S. 3974). The bill, introduced by Sen. Bob Casey (D-PA), seeks to boost and strengthen Social Security benefits. It would change the annual Cost-of-Living Adjustment (COLA) to be calculated using the consumer price index for the elderly (CPI-E).

Earned Social Security benefits allow workers to retire with dignity, provide for their spouse and dependent children when they die and to have insurance in case a disabling long-term illness or injury strikes before they retire. In February 2024, over 67.3 million people collected Social Security benefits.

### **Top Reasons to Support the Boosting Benefits and COLAs for Seniors Act:**

- ✓ **Social Security benefits are modest and need to be adjusted for inflation with an accurate COLA.**

In February 2024, the average benefit for the three core groups of Social Security beneficiaries – retired workers, disabled workers and aged widows and widowers – was only \$1,772.51 a month, or \$21,270 a year. The purpose of the Cost-of-Living Adjustment (COLA) to Social Security benefits is to protect the purchasing power of beneficiaries to keep pace with inflation.

- ✓ **The current COLA formula underestimates the rising health care costs seniors feel in their wallets.**

Current law requires the COLA formula use the CPI-W, which is designed to track the costs of wage earners. The CPI-E index more closely tracks the living expenses of retirees because it gives more weight to medical costs. This is important because as we age, we tend to spend more on health care. Under S. 3974, the COLA would be the higher of either the CPI-E or the CPI-W.

- ✓ **Year after year a low COLA year compounds the loss in value of the monthly Social Security check as retirees age.**

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*AFSCME's 1.4 million members provide the vital services that make America happen. With members in communities across the nation, serving in hundreds of different occupations — from nurses to corrections officers, child care providers to sanitation workers — AFSCME advocates for fairness in the workplace, excellence in public services and freedom and opportunity for all working families.*