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GROVE CITY, FL 34224

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JAN 26 REC'D

FEB 02 AMST

Brian Lamb

C-Span

400 W. Capitol St NW
Washington D.C. 20001

Dear Mr Lamb,

Your program on TV is most
interesting and informative. You get
to the point quickly and keep the
program on target.

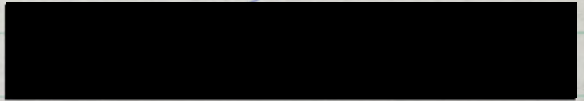
I have a target (Social Security
COLA) however being a retired individual,
no real ammunition. I am writing to
you with a request to you to
please consider looking over the attached
data I have compiled regarding COLA
as it relates to the lowest income
Social Security recipients.

Your opinion, the opinion of your
staff, quite knowledgeable in SS, experts you
may know will be greatly appreciated.

If you agree that an inequity exists, your advice, opinion or assistance would naturally be most helpful in my attempt to make a change that should help many low income people.

Thank you.

Sincerely



2 attachments

Change Formula for Calculating COLAs

Social Security cost-of-living allowances unjust? Creating poverty? Strange but true. Consider the current method of calculating the COLA (4.7 percent of Social Security income) using the following monthly and yearly examples:

Jones $\$900 \times 4.7\% = \$42.30 \times 12 = \$507.60$ year.

Smith $\$600 \times 4.7\% = \$28.20 \times 12 = \$338.40$ year.

Brown $\$300 \times 4.7\% = \$14.10 \times 12 = \$169.20$ year.

Why does Jones receive 300 percent more than Brown? Inflation in the cost of food, clothing and shelter was the same for all Americans. And each time a COLA is paid, the inequity is **compounded**. For example, using the same 4.7 percent increase over a five-year period results in Jones receiving approximately **\$5,400 more COLA than Brown**.

Jones doesn't need that much more bread than Brown. Just the opposite is true. Jones, at the higher base rate, probably made much more money during his working years, probably saved more money or accumulated more through appreciation of assets and probably had some kind of employer-subsidized or fully paid retirement and hospitalization plan. Now,

Social Security is paying him COLA payments 300 percent higher than Brown's.

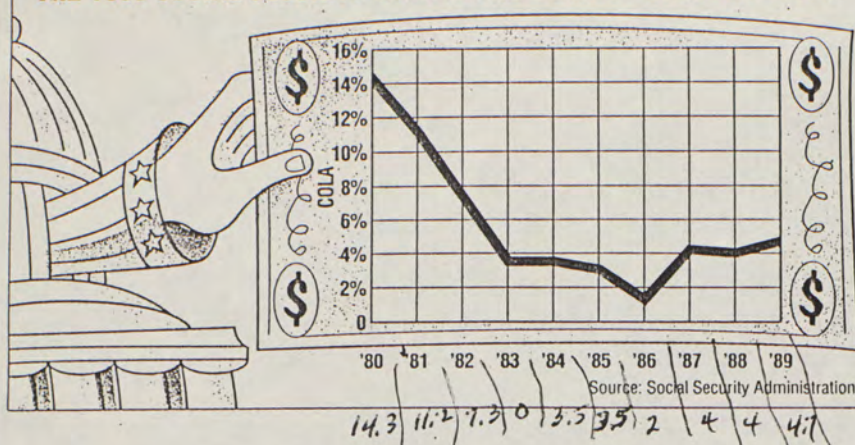
Brown really can't afford all this prosperity. Every time he gets a raise, he gets further behind. He never ever receives the actual level of COLA necessary to keep up with inflation. Meanwhile, Jones's higher COLA payments tend to drive prices higher and higher.

A change from percentage of income to equal dollars of COLA for all is needed. **It won't cost the taxpayers a dime** and should reduce inflation. It will probably reduce welfare and Medicare payments and provide many of the **lowest-income people** in America a true cost-of-living allowance.

Our senators and U.S. representatives; as well as the Social Security Administration need to know we are concerned about this inequity. Will you help? Seniors and non-seniors, please don't let this continue.

[REDACTED]
Grove City

THE 1989 SOCIAL SECURITY COLA IS THE LARGEST IN SEVEN YEARS



COLA boost is due

Thirty-nine million Social Security enrollees will get a 4.7 percent increase in benefits next month, the largest since 1982 when the monthly checks went up 7.4 percent.

The average benefit check for an individual will rise \$25 a month to \$566, according to the Social Security Administration (SSA). For a retired couple, the average benefit will increase from \$923 to \$966.

Cost-of-living adjustments (COLA) are required by law to keep beneficiaries even with inflation. The 4.7 figure equals the rise in the government's Consumer Price Index for urban wage earners and clerical workers from the third quarter of 1988 through the corresponding period this year.

The Social Security payroll tax goes from 7.51 percent to 7.65 percent next year for both employees and employers. That is the last scheduled increase.

Maximum annual earnings subject to the tax rise from \$48,000 to \$50,400. For a self-employed person, the rate climbs from 13.02 to 15.3 percent. Half that can be taken as a federal tax deduction beginning with 1991 returns.

Other examples of COLA changes include:

- A widowed mother with two children will get an average increase of \$53 a month to \$1,173.

- A widow over age 62, and living alone, will get an average of \$24 more, to \$522 a month.

- An unmarried, disabled worker also will get another \$24, to \$555 a month. For a disabled worker with a wife and children, the average benefit will go up \$44 to \$975.

In addition to COLA increases, Social Security beneficiaries under age 70 will be allowed to earn more next year without losing benefit dollars. Those aged 65-69 may earn up to \$9,360 a year without penalty, up from \$8,800. Those aged 62-64 can earn \$6,840, up from \$6,480. There is no earnings limit for those 70 and older.

Beneficiaries aged 65-69 who exceed earnings limits will have their benefits reduced only \$1 of every \$3

earned in 1990, instead of \$1 for every \$2 as required this year. Those 62-64 will still have benefits reduced \$1 for every \$2 earned.

The 4.7 percent increase also will apply to the 4.5 million disabled poor and elderly who get Supplemental Security Income (SSI). The maximum SSI payment goes up \$18 to \$386 for an individual; \$26 to \$579 for a couple.

AARP BULLETIN

STATEMENT OF OWNERSHIP: Management and Circulation of AARP Bulletin (Publication no. ISSN 1044-1123).

FREQUENCY OF ISSUE: Every month, except August, 11 issues per year. Annual membership dues of \$5 includes 85 cents for annual subscription.

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	Average no. copies each issue during preceding 12 months	Actual no. copies of single issue published nearest to filing date
A. Total no. copies (net press run)	19,687,231	20,635,212
B. Paid and/or requested circulation		
1. Sales through dealers and carriers, street vendors and counter sales	none	none
2. Mail subscription (paid and/or requested)	19,571,714	20,529,320
C. Total paid and/or requested circulation (sum of B1 and B2)	19,571,714	20,529,320
D. Free distribution by mail, carrier or other means, samples, complimentary and other free copies	1,829	2,125
E. Total distribution (Sum of C and D)	19,573,543	20,531,445
F. Copies not distributed		
1. Office use, left over, unaccounted, spoiled after printing	113,688	103,767
2. Return from news agents	none	none
G. Total (Sum of E, F1 and 2 should equal net press run shown in A)	19,687,231	20,635,212

I certify that the statements made by me above are correct and complete. (signed)

Robert E. Wood, Publishing Director

Total COLA ONLY
10 year Period

\$900.-mo - \$46,371.-
\$600.-mo - \$30,914.-
\$300.-mo - \$15,457.-

Total Earnings
10 year Period

\$900.-mo \$154,371.-
\$600.-mo \$102,914.-
\$300.-mo \$51,457.-

IF ALL Received
Equal Dollars
of COLA Instead
of Percentage:

Total COLA 10
year Period

\$900.-mo \$30,914.-
\$600.-mo \$30,914.-
\$300.-mo \$30,914.-

Total Earnings
10 year Period
Using Equal Dollars

\$900.-mo \$138,914.-
\$600.-mo \$102,914.-
\$300.-mo \$69,914.-

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