



## Congressman Bruce Poliquin Maine's 2<sup>nd</sup> District

# Guaranteed COLA Act

### The Problem

Costs for everyday items are rising each year, but Seniors' and Veterans' Social Security benefits aren't keeping up

- Many retirees, both Seniors and Veterans, rely on their Social Security benefits, which they have paid into their entire lives and rightfully earned.
- Every year, however, prices for gas, groceries and basic items rise.
- The COLA, or "Cost-of-Living Adjustment," is designed to compensate for these yearly cost increases, and yet in recent years retirees have seen little or no increase.
- This year, in 2017, there was only a modest increase of 0.3% (roughly \$4 for the average SS recipient), while the year before, in 2016, there was no COLA increase at all for Seniors and Veterans.

### The Solution

Congressman Poliquin's Guaranteed COLA Act will make certain that our Seniors and Veterans receive the Social Security benefits they've worked for and deserve

- This bill guarantees that Seniors and Veterans will receive at least a 1.5% COLA increase in 2018.
- If the COLA formula projects any increase less than 1.5%, this bill makes up the difference, ensuring that retirees are receiving at least 1.5%.
- The money is generated by selling unused, dormant government buildings and properties, which are actually currently costing taxpayers every year just to maintain.

This bill eliminates wasteful spending for unused government buildings, while also guaranteeing Seniors and Veterans receive the Social Security benefits they deserve.



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### Fact Sheet

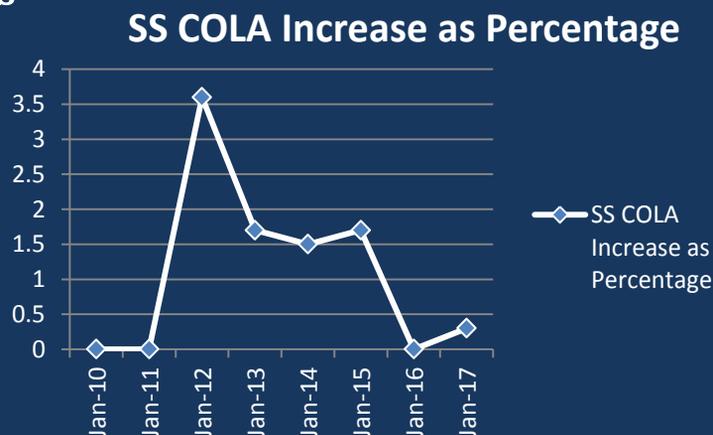
#### The COLA (Cost-of-Living Adjustment) Formula

- The COLA was created as a way to compensate for the effects of inflation and routinely rising costs of basic products, like gas and groceries.
- The adjustments are calculated every year based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).
- Generally, as the CPI-W rises, so does the COLA for the next year.
- However, in some years, the CPI-W does not rise enough to trigger the formula to require a COLA increase.

Source: Congressional Research Service

#### Trends in COLA Increases

- Since 2010, there have been three years with no COLA increase at all, including in 2016.
- This year, in 2017, there was just a 0.3% increase, or roughly \$4.00 for the average SS recipient nationwide.



Source: Congressional Research Service

#### Dormant Government Properties Nationwide

- In the 2016 Fiscal Year, there were **3,120** government properties deemed “unutilized,” including warehouses, offices, laboratories and dormitories/barracks.
- The ***Guaranteed COLA Act*** would call for the General Services Administration (GSA), which is the primary federal property manager, to sell excess buildings that have not been set aside for historical preservation.

Source: Government Services Administration (GSA): <https://d2d.gsa.gov/report/federal-real-property-open-data-visualization>