

Federal retirees' groups press for onetime boost to benefits

By [Amy Goldstein](#)

Washington Post Staff Writer

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Gary Faley, a retired freight yard clerk in Flint, Mich., paid attention the other day when [House Speaker Nancy Pelosi](#) (D-Calif.) said she will schedule a vote in November on a plan to give an extra \$250 to retirees who will not receive a cost-of-living increase in their benefit checks next year.

Faley, legislative director of an association that advocates for the nation's 600,000 retired railroad workers, immediately sent out an alert asking members to phone a toll-free number and urge their congressional representatives to support the bill.

"My members will let them know we are out there watching them," said Faley, 62, of the National Association of Retired and Veteran Railways Employees.

Retirees from the nation's railroads are one of several constituencies that are affected by an announcement by the Labor Department late last week that consumer prices have gone up too little to warrant a cost-of-living increase in retirement benefits for 2011.

It will be the second year in a row that benefits have not risen. The consecutive years without an increase are unprecedented since the mid-1970s, when the government began to adjust such payments automatically, based on the inflation rate.

The largest group of people touched by the freeze are the nearly 54 million retired and other Americans who receive monthly Social Security checks. But the same formula that determines whether Social Security payments go up has ripple effects, affecting benefits for retired federal workers and for retired and disabled veterans, as well as former railroad workers.

In the final two weeks before the [midterm elections](#), after which Congress will come back for a [lame-duck](#) session, most - though not all - of these constituencies are pressing hard for lawmakers to give more help to people on fixed incomes.

Democratic House and Senate leaders say they want to offset the lack of a cost-of-living adjustment with a one-time \$250 payment, similar to one that Congress granted in 2009 as part of its economic stimulus efforts. Republicans largely oppose the idea, cautioning that it would deepen the federal budget deficit.

"Everyone is trying to figure out who we lobby," said Deirdre Parke Holleman, executive director of the Retired Enlisted Association, which represents retirees from the enlisted ranks of all armed services branches. Even though the increase has been small in the part of the consumer price index on which benefit increases are based, "there are lots of costs that sure as heck feel as if they are going up to our members," she said.

Certain older people, such as widows whose spouses died on active duty or from service-related disabilities, are especially struggling, she said.

Not all groups of federal retirees are upset that their benefits are being frozen. "Our bottom line [is], we're happy that inflation is low, very frankly. That's the thing people forget," said Steve Strobridge, director of government relations for the Military Officers Association of America. "When inflation goes back up, we'd be eternally grateful we are tied to the Consumer Price Index."

Still, even the military officers' group favors the \$250 payment, which would apply to veterans, including retired ones, who are disabled. "The White House is justifying it as an economic stimulus payment," Strobridge said. "We support it on that basis."

Like the association of railroad retirees, the National Active and Retired Federal Employees Association has begun urging its members to lobby their representatives on Capitol Hill. The group represents nearly 2 million federal retirees and an additional 600,000 surviving spouses who get government pensions. More than 300,000 federal retirees and survivors live in the District, Maryland and Virginia.

The association is trying, in particular, to secure the \$250 for a small subset of retired public employees who are not part of the Social Security system and will not get the same payment as other older Americans unless Congress gives them special attention.

Retired federal workers "are very unhappy," said David B. Snell, the association's director of retirement benefit services. In particular, he said, many older people's health-care costs are rising more quickly than inflation. "This is causing a hardship on many of these elderly, fixed-income retirees of the government. It just doesn't seem fair that they are going to have to suffer some more."