



## The Emergency Senior Citizens Relief Act

### Extending the \$250 One-Time Payment to Social Security Recipients

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#### Background

- President Obama has called for payment of \$250 to Social Security beneficiaries in 2010. This payment would be the same as the \$250 payment made in 2009 of \$250 as part of the American Reinvestment and Recovery Act (ARRA).
- The Emergency Senior Citizens Relief Act was introduced in both the House (**H. 3597** – Rep. DeFazio, VT) and Senate (**S. 1685** – Rep. Sanders, VT) that would provide this one-time payment in 2010.
- **Wider Opportunities for Women** supports this legislation and urges the Senator to pass this bill.

#### Why is this one-time payment important?

- Social Security is the bedrock of economic security for elders, although Social Security alone falls short of what's needed to make ends meet.
- Although never intended to be the sole source of income in retirement, a significant proportion of seniors, disproportionately women, rely on Social Security income alone. Two in five older American women lives solely on Social Security.
- Social Security provides more than 90% of income to one in three older Americans.
- According to the national averages of the Elder Economic Security Standard™ Index (Elder Index), a new measure of the cost-of-living for seniors developed by Wider Opportunities for Women and the Gerontology Institute at the University of Massachusetts Boston, a single elder renter in good health needs \$20,248 to meet his or her basic needs.
- Average annual Social Security income provides an older woman renter with only *56 percent* of the income required to achieve economic security, compared to *74 percent* for an older man.
- The Social Security Administration has announced that there will be no Cost of Living Adjustment (COLA) in 2010 and there are projections of no COLA in 2011.

- At time of great economic uncertainty and declines in retirement savings, the absence of COLAs will bring significant hardship for many low-income elders.
- This one-time payment buffers the impact of the freeze in the COLA.
- The \$250 one-time payment amounts to more than the typical older American's monthly health care expenses, as measured by the national Elder Index, and is almost equal to one month's worth of food costs.
- According to the national Elder Index, the \$250 one-time payment is equivalent to nearly 10% of an elder's annual food costs and nearly 9% of an elder's annual health care expenses.

**For Social Security over the long-term, it is critical to:**

- Protect benefits, particularly for the most vulnerable – including low-income beneficiaries
- Improve benefits for women through care giving credits
- Increase benefits for the oldest old, who are disproportionately women
- Address the issue of benefit adequacy alongside program solvency