

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U. S. Department of Labor Washington, D.C. 20210	CLASSIFICATION OWS
	CORRESPONDENCE SYMBOL UI/DUIO
	January 3, 2008

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 6-08

TO: STATE WORKFORCE AGENCIES

FROM: EMILY STOVER DeROCCO
 Assistant Secretary 

SUBJECT: Increase in Social Security Annuities and Federal Civilian Pensions

1. Purpose. To ensure that State Workforce Agencies are aware of the increases in social security survivors and old age retirement annuities and Federal civilian pensions due to the annual cost of living adjustment (COLA).
2. Background. The 2007 COLA for social security survivors and old age retirement annuities and Federal civilian pensions was made effective December 1, 2007. The percent of increase will be included in the benefit payment beginning January 2, 2008. (See Federal Register, Vol. 72, No. 206, October 25, 2007, Notices 60703-60709).

Federal civilian retirees who received benefits for at least one year under the Civil Service Retirement System (CSRS) and the Organization Retirement and Disability System (ORDS) will receive a 2.3 percent COLA increase, and Federal civilian retirees who received benefits for at least one year under the Federal Employees' Retirement System (FERS) will receive a COLA increase of 2.0 percent. Both CSRS and FERS COLA increases were effective December 1, 2007, and will be paid in the January 2, 2008, annuity check.

3. Action Required. States with laws that provide for reduction of the weekly unemployment insurance benefit amount by the prorated weekly amount of retirement pay and pensions should review claimant records to identify those who are affected by these COLA increases. States should take action to make the appropriate deductions as required by state law based on the increased retirement or annuities amount in accordance with their state law.

State Administrators should provide this information to appropriate staff.

RESCISSIONS None	EXPIRATION DATE January 3, 2009
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4. Inquiries. Direct inquiries to the appropriate Regional Office.
5. Attachment. Cost of Living Annuity Adjustment Percentages Schedule.

The COLA of Federal civilian retirement annuities is prorated as follows:

Amount of Percentage Increase

CIVILIAN ANNUITIES BEGAN	CSRS/ ORDS	CIVILIAN ANNUITIES BEGAN	FERS
December 2006	2.3%	December 2006	2.0%
January 2007	2.1%	January 2007	1.8%
February 2007	1.9%	February 2007	1.7%
March 2007	1.7%	March 2007	1.5%
April 2007	1.5%	April 2007	1.3%
May 2007	1.3%	May 2007	1.2%
June 2007	1.2%	June 2007	1.0%
July 2007	1.0%	July 2007	0.8%
August 2007	0.8%	August 2007	0.7%
September 2007	0.6%	September 2007	0.5%
October 2007	0.4%	October 2007	0.3%
November 2007	0.2%	November 2007	0.2%

Additional information about the 2008 annuity increases may be found on the Office of Personnel Management (OPM) web site, when it is posted in January, 2008. The web address is: <http://www.opm.gov/retire/html/faqs/2008cola.asp> .

Additional information about the 2008 Social Security COLA can be found at: <http://www.ssa.gov/pressoffice/pr/2008cola-pr.htm> .

Note: Federal Employees Retirement System (FERS) and FERS Special Cost-of-Living Adjustments are not provided until age 62, except for disability, survivor benefits, and other special provision retirements.