

<b>EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> UI
	<b>CORRESPONDENCE SYMBOL</b> OUI/DUIO
	<b>DATE</b> January 27, 2010

**ADVISORY:** UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 11-10

**TO:** STATE WORKFORCE AGENCIES

**FROM:** JANE OATES *Jane Oates*  
Assistant Secretary

**SUBJECT:** Federal Military Pensions

1. Purpose. To ensure states are aware that the Federal military retired pay annual cost of living adjustment (COLA) will not be increased for 2010 and to provide the Department of Defense Web site where the COLA information is located.
2. Background. The military COLA is based on the previous year's Consumer Price Index (CPI). Due to the negative CPI in fiscal year 2009, there will be no COLA (i.e., 0.0 percent) increase for retirees in 2010.
3. COLA for Retired Pay. The COLA for 2010 will not be increased for those individuals who first became a member of a uniformed service before, on, or after September 8, 1980. The above information is on the Department of Defense Web site located at:  
  
<http://www.dfas.mil/retiredpay/costoflivingallowancecola.html>.
4. Instructions. States with laws that require a reduction of the unemployment insurance (UI) weekly benefit amount by the prorated weekly amount of retired pay and pensions should ensure the UI system is programmed to address no COLA increases for 2010.
5. Action Requested. State Administrators are requested to provide the above information to appropriate staff.
6. Inquiries. Please direct all inquiries to the appropriate Regional Office.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> January 27, 2011
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