

Stallings in support *Dec 8 1985* *Cost-of-living adjustment* *for retirees finally settled*

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Legislation which would remove Social Security from the budget and establish the Social Security Administration as an independent agency is now up for consideration before the House Ways and Means Committee, according to Rep. Richard H. Stallings, D-Idaho.

Stallings said the bill was approved by the House subcommittee on social security and is now cleared for action by the main committee. Stallings noted he is one of 139 congressmen who is cosponsoring the proposal.

"This bill should be acted on by the House committee this month," he said.

"The bitter fight over cost-of-living adjustment should never have happened. Those individuals who sought to freeze the cost-of-living adjustment failed to understand that Social Security has no place in the deficit debate."

The cost-of-living rate is now fixed at 3.5 percent and is scheduled to go into effect Jan. 1. This battle was bitterly fought last summer and was settled in August.

"I am pleased to say the House and Senate finally agreed on a budget compromises which retained the

original House position to provide a full cost-of-living adjustment for Social Security recipients and other retirees, said Stallings.

"The Senate had voted originally not to provide any cost-of-living adjustment for retirees while the House had insisted on a full increase. Adding to the confusion the president alternately rejected and then embraced the House position.

"Since coming to Congress I have supported a full cost-of-living adjustment for Social Security recipients and other retirees. During the initial budget debate I opposed an amendment that would have frozen the cost-of-living adjustment, and later, I co-signed a letter to budget conferees urging them to include a full cost-of-living adjustment in the compromised budget resolution."

Stallings noted he represents more than 50,000 senior citizens in the 2nd Congressional District.

"First, Social Security does not belong in the federal budget," said Stallings. "Social Security benefits are paid from a special trust fund, derived from Social Security taxes, and cannot be used for any other purpose. So cutting the cost-of-living adjustment or otherwise reducing benefits cannot reduce the deficit — just make it look smaller."

"Second, Social Security is not contributing to the deficit. The Social Security trust fund is running a substantial surplus — about \$9.2 billion in 1986. "It is funded by a tax that can only be used for that purpose. So when we talk about Social Security,

we're really not getting at the deficit problem at all."

Stallings declared Social Security is a contract between the generations. Workers are willing to pay taxes to provide benefits for current retirees, and in return, they rely on the next generation's commitment to the same.

"By insulating Social Security from future political battles, we will preserve the fundamental promises of Social Security — its promises of security for the future," he said.

Stallings noted he is a member of the House Select Committee on Aging which gives him an opportunity to closely study the problems facing older Americans and working to promote the special talents of seniors.

He said that this year he has been investigating the impact of rising health care costs, the special needs of aging veteran, the displacement of older workers, and the growing need for support services for Alzheimer's victims and their families, to name just a few.

Stallings also announced he is recruiting volunteers in the district to inform seniors of his activities in Congress. He said the so-called Senior Corps will provide him with a vital link to thousands of seniors, allowing him to benefit from their advice and experience.

"In the months ahead I plan to continue my efforts to ensure a quality standard of living for older Americans," he said.



Richard Stallings