

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	<b>CLASSIFICATION</b> UCX
	<b>CORRESPONDENCE SYMBOL</b> OUI/DUIO
	<b>DATE</b> January 16, 2014

**ADVISORY:** UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 4-14

**TO:** STATE WORKFORCE AGENCIES

**FROM:** ERIC M. SELEZNOW /s/  
Acting Assistant Secretary

**SUBJECT:** Federal Military Pensions

**1. Purpose.** To ensure State Workforce Agencies are aware of the Federal military retired pay annual cost of living adjustment (COLA) provided by the Department of Defense.

**2. Background.** The military COLA is based on the previous year's Consumer Price Index (CPI). Military COLA increases will be effective December 1, 2013. Military retired pay, by law, is always rounded down to the next lower dollar amount. The term "retired pay" includes retainer pay and the term "member" includes former members.

**3. COLA for Retired Pay.** Based on the increase in the CPI, there are COLA adjustments for retired pay and Survivor Benefit Plan annuities effective December 1, 2013 (see attached). For more information on COLAs for the different retirees, visit the Department of Defense website at: <http://www.dfas.mil/retiredmilitary/newsevents/newsletter/costoflivingadjustment.html>

**4. Instructions.** States with laws that require a reduction of the unemployment insurance weekly benefit amount by the prorated weekly amount of retired pay and pensions should identify claimants affected by the COLA increases and make the appropriate reductions as required by state law.

**5. Action Requested.** State Administrators are requested to provide the above information and attachment to appropriate staff.

**6. Inquiries.** Please direct all inquiries to the appropriate Regional Office.

**7. Attachment.** Fiscal Year 2014 Adjustments to Retired/Retainer Pay, Survivor Annuities and Premiums.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> January 1, 2015
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