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January 30, 2008

Dear Senator:

On behalf of the more than 39 million members of the AARP, we urge you to support the Economic Stimulus Act of 2008, recently reported out of the Finance Committee with bipartisan support. The weakening economy requires quick and targeted legislative action to spur growth, and this bill will meet that goal. Given the looming threat of a recession and the financial constraints many are already facing in this economic downturn, we strongly urge that the Senate pass this measure as swiftly as possible.

Tax rebates can be an effective stimulus measure, and the Finance package provides tax rebates to millions of Americans, including over 20 million older Americans who primarily depend on Social Security for their retirement income. These older Americans spend 92% of their income -- a greater proportionate share of income than all other adults. This spending pattern strongly suggests that rebates for these individuals will be spent entirely and quickly, helping to provide an immediate boost to the economy. Moreover, during an economic downturn, many older Americans will face new economic challenges in addition to the continuing burden of high health care costs.

Extension of unemployment benefits will further stimulate spending while directly assisting those who are especially vulnerable in an economic downturn. Almost one-fifth of those individuals out of work are age fifty or older, and since older workers have a harder time finding a new job, many exhaust their unemployment benefits before doing so.

These provisions can give the economy the jumpstart it needs, as well as direct assistance to some of the individuals who will struggle the most during an economic downturn. We urge you to pass this measure as soon as possible.

As you may know, our members have expressed strong interest in knowing how their elected officials vote on key issues that affect older Americans. As part of our ongoing effort to let our members know of action taken on key issues, we will be informing them how their Senators vote on these important issues when the stimulus package comes to the floor.

If you have any further questions, feel free to call me, or please have your staff contact Evelyn Morton of our Federal Affairs staff at 202-434-3760.

Sincerely,

William D. Novelli
Chief Executive Officer