

# **WEP & GPO Information**

## **Windfall Elimination Provision (WEP)**

## **Government Pension Offset (GPO)**



## Join the Facebook Movement!

Repeal the Windfall Elimination Provision–WEP & Govt. Pension Offset–GPO



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# What is the Windfall Elimination Provision (WEP)?

## YOUR EARNINGS

"The windfall elimination provision (WEP) is a modified benefit formula that reduces the Social Security benefits of certain retired or disabled workers who are also entitled to pension benefits based on earnings from jobs that were not covered by Social Security and thus not subject to the Social Security payroll tax. Its purpose is to remove an unintended advantage or "windfall" that these workers would otherwise receive as a result of the interaction between the regular Social Security benefit formula and the workers' relatively short careers in Social Security-covered employment."

<https://crsreports.congress.gov/product/pdf/RS/98-35>

For workers who have 30+ years of *substantial earnings*, the WEP does not apply. See the *substantial earnings* table at <https://www.ssa.gov/pubs/EN-05-10045.pdf>. Modified reductions occur during years 21-29 ranging between 45% and 85%.

# What is the Government Pension Offset (GPO)?

## SPOUSAL / SURVIVOR EARNINGS

"The Government Pension Offset is a Social Security provision that penalizes individuals who apply for Social Security spousal or survivor benefits, if they themselves worked for a state or local government in non-SS-covered employment and are entitled to a government pension from that employment. Once they receive that benefit, their earned Social Security spousal or survivor benefits will be reduced by two-thirds of the amount of their non-SS-covered pension. If their public pension receives a cost-of-living increase, their spousal or survivor benefit will be reduced by  $\frac{2}{3}$  of that amount."

<https://ssfairness.org/gpo-wep-faq/>

# #1 Who is affected by the WEP & GPO?

## **WEP & GPO Penalties**

"Teachers in 15 states and police, firefighters, postal workers, air traffic controllers, federal government employees (hired before 1983 -CSRS), & some state, county, local & special district workers are penalized by GPO/WEP. Even a foreign pension can reduce or eliminate Social Security benefits."

## **26 States—State · County · Municipal · Special District Employees**

"There are 26 states where this occurs, with the largest populations in California, Colorado, Illinois, Louisiana, Ohio, and Texas."

<https://ssfairness.org/gpo-wep-faq/>

## #2 Who is affected by the WEP & GPO?

### Section 218 of the Social Security Act

"A Section 218 Agreement is a voluntary agreement between the State and the Social Security Administration (SSA) to provide Social Security and Medicare Hospital Insurance (HI) or Medicare HI-only coverage for State and local government employees. These agreements are called "Section 218" Agreements because they are authorized by Section 218 of the Social Security Act. Section 218 Agreements are irrevocable."

[https://www.ssa.gov/slge/sect\\_218\\_agree.htm?tl=0](https://www.ssa.gov/slge/sect_218_agree.htm?tl=0)

## #3 Who is affected by the WEP & GPO?

### Section 18 IRS Videos for Employers/Helpful for Citizens

<b>IRS Video #1: <i>How Section 218 Agreements Affect State and Local Government Employers</i></b>	<a href="https://www.irsvideos.gov/Governments/Resources/HowSection218AgreementsAffectStateAndLocalGovernmentEmployers#:~:text=All%20states%20and%20Puerto%20Rico,state%20and%20local%20government%20employees.">https://www.irsvideos.gov/Governments/Resources/HowSection218AgreementsAffectStateAndLocalGovernmentEmployers#:~:text=All%20states%20and%20Puerto%20Rico,state%20and%20local%20government%20employees.</a>
<b>IRS Video #2: <i>How Social Security and Medicare Laws Affect Government Entities</i></b>	<a href="https://www.irsvideos.gov/Employers/Section218AndRetirementSystemsBasics4-partVideoSeries/HowSocialSecurityAndMedicareLawsAffectGovernmentEntities">https://www.irsvideos.gov/Employers/Section218AndRetirementSystemsBasics4-partVideoSeries/HowSocialSecurityAndMedicareLawsAffectGovernmentEntities</a>
<b>IRS Video #3: <i>What is a Qualified Retirement Plan for Social Security purposes?</i></b>	<a href="https://www.irsvideos.gov/Employers/Section218AndRetirementSystemsBasics4-partVideoSeries/WhatsAQualifiedRetirementPlanForSocialSecurityPurposes">https://www.irsvideos.gov/Employers/Section218AndRetirementSystemsBasics4-partVideoSeries/WhatsAQualifiedRetirementPlanForSocialSecurityPurposes</a>
<b>IRS Video #4: <i>Section 218 and Retirement System Interaction</i></b>	<a href="https://www.irsvideos.gov/Employers/Section218AndRetirementSystemsBasics4-partVideoSeries/Section218AndRetirementSystemInteraction">https://www.irsvideos.gov/Employers/Section218AndRetirementSystemsBasics4-partVideoSeries/Section218AndRetirementSystemInteraction</a>



## WEP Impact

- **December 2021: About 2 million Beneficiaries Affected**
- **About 95% = Retired Workers**
- **About 3% Affected = All Social Security Beneficiaries(including disabled workers and dependent beneficiaries)**
- **About 4% of All Affected = Retired Worker Beneficiaries**
- **About 55% of All Affected = Men/Retired Workers**

<https://crsreports.congress.gov/product/pdf/RS/98-35>

**FYI:** Including states, those who have earned pensions in foreign countries and outlying areas rank the fifth most affected by WEP.

## GPO Impact

- **Latest Statistics = About 723,970 Social Security Beneficiaries Affected**
- **About 1% = Total Social Security Beneficiaries Affected**
- **Potential Persons Affected = 52% of Spouses and 48% Widows and Widowers**
- **Of All Affected, Women = About 83%**

<https://crsreports.congress.gov/product/pdf/RL/RL32453>

**"The way the Government Pension Offset works, it ignores the number of years a spouse may be truly dependent on the earner, earning neither a public pension nor a FICA-Social Security contributing income. If the not-employed spouse at a later date earns a pension, the years of dependency are not counted, despite the spouse's having been in a marriage situation which normally would qualify that person for spousal or survivor benefits."**

**"Receiving a public pension should not nullify the spousal or survivor Social Security benefits rightfully earned during other parts of a person's life."**

[https://ssfairness.org/action-alert-114-why-the-government-pension-offset-is-wrong/?fbclid=IwAR3y7SePhQkin\\_R1mzc9Hr9wmirPfpz1waBADzMcl\\_asLPmJwPHZd3WvKSg](https://ssfairness.org/action-alert-114-why-the-government-pension-offset-is-wrong/?fbclid=IwAR3y7SePhQkin_R1mzc9Hr9wmirPfpz1waBADzMcl_asLPmJwPHZd3WvKSg)

## **WEP & GPO Legislation**

Supported by the [Repeal the Windfall Elimination Provision–WEP & Govt. Pension Offset–GPO](#) Facebook Movement

**Social Security Fairness Act of 2021 (H.R. 82) and Social Security Fairness Act (S. 1302)**, a full repeal without time limitations

**Social Security 2100 Act: A Sacred Trust (H.R. 5723/S. 3071)**, a full repeal with time limitations, relying on increased taxes by wealthier Americans

## **ENGAGEMENT: Track the Bills**

**H.R. 82 - Social Security Fairness Act of 2021—**[H.R.82 - 117th Congress \(2021-2022\): Social Security Fairness Act of 2021 | Congress.gov | Library of Congress](#)

**S. 1302 - Social Security Fairness Act—**[S.1302 - 117th Congress \(2021-2022\): Social Security Fairness Act | Congress.gov | Library of Congress](#)

**H.R. 5723 - Social Security 2100 Act: A Sacred Trust—**[H.R.5723 - 117th Congress \(2021-2022\): Social Security 2100: A Sacred Trust | Congress.gov | Library of Congress](#)

**S. 3071 - Social Security 2100 Act: A Sacred Trust—**[S.3071 - 117th Congress \(2021-2022\): Social Security 2100: A Sacred Trust | Congress.gov | Library of Congress](#)

# ENGAGEMENT: WEP & GPO Repeal

## Repeal the Windfall Elimination Provision–WEP & Govt. Pension Offset–GPO

***Legislators of the Day***—a daily effort (Monday-Friday) to contact legislators through emailing staffers, calling legislative offices, messaging and commenting on Facebook pages, and Tweeting

***Petition***—Elimination of the Unfair GPO and WEP Provisions of the Social

**Security Act** <https://sign.moveon.org/petitions/elimination-of-the-unfair>

***CalRTA Legislative Alert***—Watch for WEP/GPO-specific posts to email legislative staffers

***Personal***—If your legislators have not cosponsored the bills we support, take action as a constituent, and continue to contact the Ways & Means Committee members, the Subcommittee on Social Security, and Speaker Nancy Pelosi.





# D.C. Rally Official Video

<https://www.youtube.com/watch?v=COdT6rYEJQA>





## **WEP & GPO Chants**

***Hey-ho, make it real***

***Hey-ho, make it real***

***WEP & G-P-O Repeal***

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***WIND-FALL***

***Hurts Us All***



## Resources: WEP & GPO

*Social Security: The Windfall Elimination Provision (WEP) Updated March 7, 2022*

<https://crsreports.congress.gov/product/pdf/RS/98-35>

*Social Security: The Government Pension Offset (GPO) Updated March 7, 2022*

<https://crsreports.congress.gov/product/pdf/RL/RL32453>

Click on the *Files* tab at [Repeal the Windfall Elimination Provision–WEP & Govt. Pension Offset–GPO](#) to locate the PDF, *State-by-State WEP GPO CRS*, cropped from the above CRS Reports.

Social Security Fairness at <https://ssfairness.org>

Click on the *Files* tab at [Repeal the Windfall Elimination Provision–WEP & Govt. Pension Offset–GPO](#) for updated information on unsponsored H.R. 82 Representatives and S. 1302 Senators.

# Resources: Social Security Statements Overview

## Social Security Statement vs. Social Security 1099 or 1042S Benefit Statement

**Before receiving benefits**—*Social Security Statement* is a **personalized estimate** of what one would receive at retirement.

**After receiving benefits**—*Social Security 1099 or 1042S Benefit Statement* is a tax form that shows the monies received during the previous year from Social Security, mailed each year in January to file on Tax Day.

<https://www.ssa.gov/myaccount/replacement-SSA-1099.html>

**FYI:** IRS · Social Security Administration (SSA) · Medicare

The accumulated Tax Day filings contain all of the information the SSA requires to determine benefits. While Medicare Part A is generally without cost, the SSA determines Part B Medicare payments from tax returns from two years back. That is the most recent tax information the IRS provides to Social Security.

<https://www.medicare.gov/your-medicare-costs/part-b-costs>

## Resources: Social Security Statements

***The Social Security Statement: Background, Implementation, and Recent Developments—***

<https://www.ssa.gov/policy/docs/ssb/v74n2/v74n2p1.html>

***Fact Sheets Added to Statements—***

<https://www.ssa.gov/myaccount/statement.html>

Scroll down to download sheets for different age groups.

***You Have Earnings Not Covered by Social Security—***

<https://www.ssa.gov/myaccount/assets/materials/noncovered-earnings.pdf>

## Sources: Media

Page 1: Image at <https://pixabay.com/illustrations/banner-wavy-disheveled-1075125/>

Page 2: Facebook Movement Image by Peter Joyce at [Repeal the Windfall Elimination Provision–WEP & Govt. Pension Offset–GPO](#)

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Page 15: D.C. Rally official video provided by videographer Andrezcj Cierkosz of the Polish American Strategic Initiative (PASI) at <https://www.youtube.com/watch?v=COdT6rYEJQA>

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Page 16: Chants by Roger Boudreau D.C. Rally at <https://www.youtube.com/watch?v=COdT6rYEJQA>