



## **Windfall Elimination Provision (WEP)/Government Pension Offset (GPO)**

Both the windfall elimination provision and government pension offset adversely affect Texas' public workers such as teachers and first responders. Below is a summary of these matters and my involvements toward correcting these.

### **WEP Background:**

The windfall elimination provision (WEP) reduces the Social Security benefits of workers who also have pension benefits from employment not covered by Social Security. Its purpose is to remove an advantage these workers would otherwise receive because of Social Security's benefit formula that favors workers with smaller amounts of Social Security-covered career earnings. For example:

A normal worker gets 90% of the first \$656 of earnings for \$590.40

A worker under WEP gets 40% of the first \$656 of earnings for \$262.40

The monthly difference is: \$328

### **GPO Background:**

Individuals who qualify for both a government pension based on non-Social Security covered employment and a Social Security spousal benefit are subject to the Government Pension Offset (GPO). The GPO provision reduces Social Security benefits that a person receives as a spouse if he or she also has a federal, state or local government pension based on work that was not covered by Social Security. The GPO reduction in Social Security spousal benefits is equal to two-thirds of the government pension.

### **Efforts in Congress:**

The WEP and GPO have been in effect for over 20 years. Advocates making these changes did not intend at the time to penalize non-Social Security paying workers, but rather to ensure that those workers were treated fairly with those who paid into Social Security, i.e. no one should receive a benefit greater than someone else and everyone should be on a level playing field. Many proponents believe WEP and GPO has created equality not a penalty. Currently, H.R. 82, the Social Security Fairness Act would repeal these two provisions. I joined with my colleagues to cosponsor this legislation because I feel sympathetic to the concerns of those who feel they are being penalized and I feel this issue needs to be revisited as part of a broader reform of Social Security.