



The Social Security Fairness Act

The Government Pension Offset (GPO) and Windfall Elimination Provision (WEP) were enacted in 1977 and 1983 respectively as amendments to the basic Social Security law.

These provisions reduce Social Security benefits for public sector retirees who receive a public pension or the spouse or survivor of a Social Security beneficiary who worked for a period of time in a job not covered by the Social Security program.

More than 2.5 million Social Security beneficiaries are affected by one of both these provisions, and they do not receive the full Social Security benefits that they otherwise earned. The WEP and GPO disproportionately affect lower-income workers and women. As a result, many face economic hardship during retirement.

Alliance for Retired Americans Position

In January 2023, Representatives Garret Graves (LA) and Abigail Spanberger (VA) introduced the Social Security Fairness Act (H.R. 82). The bills would repeal the WEP and GPO provisions and allow those affected to keep the full Social Security benefits they or their spouses earned.

The Alliance supports the Social Security Fairness Act and urges members of Congress to co-sponsor and help pass this important legislation.

The Windfall Elimination Provision

The WEP reduces the Social Security benefits of a public sector worker who collects a pension from a job not covered by Social Security. Four percent of retired workers, or nearly 2 million retirees, were affected as of December 2019. These workers are retired federal, state and local government employees who worked as teachers, police, firefighters, postal workers and general employees.

The WEP provision was intended to reduce what Congress considered overly-generous Social Security payments; however, the adjustment formula does not differentiate between high- and low-wage workers. As a result, retirees who earned lower wages at work are disproportionately hurt by the WEP.

The Government Pension Offset

The GPO reduces Social Security spousal or survivor retirement benefits of a worker who collects a public pension from a job not covered by Social Security. The individual's Social Security spousal or survivors benefits are reduced by two-thirds of the amount of their government pension. The reduction is recalculated each year, when the retiree receives a cost-of-living increase in their pension, further reducing the benefit. In some cases, if two-thirds of the individual's government pension is greater than their Social Security spousal benefits, those Social Security benefits are reduced to zero.

As of December 2019, 707,879 Social Security beneficiaries had their spousal or survivor benefits completely eliminated or partially reduced by the GPO. The GPO has a particularly harsh effect on moderate and low income pensioners. Eighty-three percent of Americans subject to the GPO are women, who are already more likely to fall into poverty as they age.

Which public sector workers and retirees are affected?

- Many teachers in 15 states—Arkansas, California, Colorado, Connecticut, Georgia, Illinois, Kentucky, Louisiana, Massachusetts, Maine, Missouri, Nevada, Ohio, Rhode Island and Texas;
- Many state, county, city and special district employees around the country; and
- Federal employees in every state (hired before January 1, 1984) who are in the CSRS retirement system.