

WEP



GPO

WINDFALL ELIMINATION PENALTY

- In an effort to remove an unintended advantage or “windfall” for those who collected both an earned Social Security benefit and a public pension, Congress passed the WEP in 1983.
- The WEP is a formula that can reduce the size of your Social Security retirement or disability benefit if you receive a pension from a job in which you did not pay Social Security taxes.
- If you collect a public pension, the WEP could reduce your earned Social Security benefit by up to half of the amount of your pension—sometimes completely eliminating the benefits.
- About 1.9 million public employees, or 3 percent of Social Security beneficiaries, are affected by the provision.
- The WEP hits teachers who have work experience both in the CalSTRS system and in Social Security-covered employment.
- For someone who has 20 years or less in Social Security jobs, the WEP reduces the earned Social Security pension by over 50%.
- Basically, you lose your earned Social Security benefits because you have a public pension.

GOVERNMENT PENSION OFFSET

- The Government Pension Offset, or GPO, affects spouses, widows, and widowers with pensions from a federal, state, or local government job.
- The GPO usually eliminates the Social Security spousal or survivor benefits of people who also get a pension based on federal, state, or local government employment NOT covered by Social Security.
- The GPO deprives retired teachers of their spousal and survivor benefits under Social Security. Typically the spouse of a Social Security recipient **receives half of the amount of their partner's benefit while they are alive and the larger Spousal Death Benefit when they pass.**
- Under the GPO, that amount is reduced by two-thirds of the amount of the pension provided by California State Teachers Retirement System.
- The GPO hits hardest those who have provided lifetime careers of public service, such as teachers, often for comparatively lower salaries and pensions.
- Even in cases where a total offset has not occurred, any increases in the teacher's pension results in a recalculation of the offset, reducing the Social Security benefit.

Information taken from the following sources: calrta.org/repealing-wepgpo-current and ssfairness.org/gpo-wep-faq

ADDITIONAL INFORMATION

- [H.R. 82 Social Security Fairness Act 2023](#)
- [Social Security Penalties Hurt Teachers](#)
- [WEP GPO Myths and Facts Sheet](#)
- [H.R. 82 CalRTA Letter of Support](#)
- [Repeal the WEP GPO Handout](#)

CalRTA

California Retired Teachers Association