



NATIONAL FRATERNAL ORDER OF POLICE®

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PATRICK YOES
NATIONAL PRESIDENT

JIM PASCO
EXECUTIVE DIRECTOR

22 October 2019

The Honorable Richard E. Neal
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman,

I am writing on behalf of the members of the Fraternal Order of Police to advise you of our support for H.R. 4540, the "Public Servants Protection and Fairness Act," which would repeal the Windfall Elimination Provision (WEP) and replace it with a more equitable and individualized calculation of Social Security benefits while ensuring that no workers will be negatively impacted by the new formula.

The FOP's top legislative priority in Social Security reform is the passage of H.R. 141, the "Social Security Fairness Act," which would fully repeal the WEP and the Government Pension Offset (GPO). However, your legislation is a certainly a positive development that provides much needed assistance to our members who are negatively impacted by the existing WEP and we are proud to support H.R. 4540 as well.

We believe, as you do, that this is an issue of fairness. When the WEP was enacted in 1983, its stated purpose was to remove a "windfall" for persons who spent some time in jobs not covered by Social Security and who also worked other jobs where they paid Social Security taxes long enough to qualify for retirement benefits. This provision has created a very real inequity for many public employees, particularly law enforcement officers, who retire earlier than other government employees and often begin second careers which require them to pay into the Social Security system. Law enforcement officers who had second careers face as much as a 60% cut to the Social Security benefits. This is a reduction of a benefit to which they are entitled because they paid into the system—not an adjustment for a "windfall."

The bill provides immediate relief to current Social Security beneficiaries affected by the WEP. Current beneficiaries, and those turning 62 before 2022, who are affected by the WEP due to their own public service work will receive an extra \$150 per month, starting nine months after enactment and continuing for as long as the eligible individuals are receiving Social Security benefits.

This legislation would replace the existing WEP formula with a new Public Servant Protection (PSP) formula for those turning 62 in 2022 or later. The PSP formula calculates benefit amounts

based on the proportion of lifetime earnings and it includes critical protections to ensure that no one will receive a lower benefit as a result of this legislation. First, it maintains the current WEP exemptions for those with 30 years of coverage. Workers who have 30 or more years of coverage or those who do not receive any pension based on their State or local employment are exempt from any penalty under the WEP or PSP. The bill also provides a benefit guarantee—if a worker's benefit would be greater under the WEP formula, the worker will automatically receive the higher benefit. These provisions are critically important to our members.

Ultimately, the "Social Security Fairness Act" is about fairness to public employees who served their communities—local governments which chose decades ago to construct a retirement system separate from the Social Security Act. However, when these public employees earn a Social Security benefit through other work, they should receive that benefit in full without being penalized because of their public service. While the FOP will continue to push for the full repeal of the WEP and the GPO, we are grateful to you for your long-time leadership on this issue and we are proud to support H.R. 4540.

On behalf of the more than 349,000 members of the Fraternal Order of Police, we look forward to working with you and your staff to pass H.R. 4540. If I can be of any additional assistance on this or any other issue, please do not hesitate to contact me or Executive Director Jim Pasco in my Washington, D.C. office.

Sincerely,

A handwritten signature in black ink, appearing to read "H. O'Rourke", with a large, sweeping flourish extending to the right.

National President