



NATIONAL FRATERNAL ORDER OF POLICE®

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12 October 2018

The Honorable Kevin P. Brady
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

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

Dear Mr. Chairman and Representative Neal,

I am writing on behalf of the members of the Fraternal Order of Police to advise you of our views with respect to H.R. 6933, the "Equal Treatment for Public Servants Act," which would repeal the Windfall Elimination Provision (WEP) and replace it with a more equitable and individualized calculation of Social Security benefits.

The FOP has been a leader in a long effort to completely repeal the WEP and the Government Pension Offset (GPO) and we continue to believe this is the most equitable approach.

This is an issue of fairness. When the WEP was enacted in 1983, its stated purpose was to remove a "windfall" for persons, like public employees, who spent some time in jobs not covered by Social Security and 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 begin second careers which require them to pay into the Social Security system. Law enforcement officers who have second careers could face a 60% cut to their 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."

Your legislation would repeal the WEP by 2025 and then replace it with a new formula, which would be calculated by using the total life time earnings and then adjusted for the years in which the individuals paid into Social Security. In other words, the benefit would only be based on the number of years spent in Social Security covered employment.

Currently retired public employees and those who will turn 62 prior to 1 January 2025 would continue to use the existing WEP formula but would receive a \$100 per month restoration of the benefit for the individual and \$50 for the spouse benefit beginning in 2020.

While the majority of our members will receive more of their benefit under the new formula than they would under existing law, some of our members will be worse off and will still be treated unfairly.

Those public employees who have 30 or more years in Social Security-covered employment are not currently subject to the WEP at all. However, any public employee reaching 30 years of substantial earnings in 2025 would be penalized under the proposed formula simply because they were public employees and collect a government pension. If you earn a benefit through your career in public service, you should receive its full value. Similarly, if you earn your Social Security benefit after 30 years of substantial earnings, you should receive that benefit in full as well. For the FOP, this is still an issue of fairness.

We recognize that the delayed implementation is intended to give our members and other public employees time to plan for their retirement, but we strongly believe that an individual who has 30 years of substantial earnings in Social Security should not face any penalty because of their non-covered work in public service. We regretfully cannot support the bill so long as the penalty for employees with 30 years in the Social Security system is in place.

I hope that you are both willing to work with us to develop language that would retain the 30-year exemption at least for law enforcement and other public safety officers who, as you know, are disparately impacted by the WEP.

I look forward to continuing to work with you on this bill as it advances through the legislative process. Again, as long-time leaders in the effort to repeal the WEP and GPO, we are prepared to work with anyone in any way to end the unfair treatment of employees in public service. On behalf of the more than 335,000 members of the Fraternal Order of Police, thank you for your continued leadership and support. If I can be of any additional help on this matter, please do not hesitate to contact me or Executive Director Jim Pasco in my Washington office.

Sincerely,


Chuck Canterbury
National President