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8 January 2008

The Honorable Michael R. McNulty
Chairman
Subcommittee on Social Security
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman,

I am writing to you on behalf of the members of the Fraternal Order of Police to urge you and the Subcommittee to act on H.R. 82, the "Social Security Fairness Act."

This legislation is a top legislative priority of the FOP and, was previously a priority we shared with you. You cosponsored the "Social Security Fairness Act" in the 107th, the 108th, and 109th Congresses. In fact, you signed two discharge petitions on the measure—one in the 108th and one in the 109th-- even though you were a member of the Committee on Ways and Means. In this Congress, you have the authority to move the bill at the Subcommittee level. You have not done so and, what's more, you have not cosponsored H.R. 82 in this Congress, as you have done in the past. Our members would like to know why their top legislative priority is still "stuck in committee" when such a strong supporter of the bill is the chairman.

This is even more curious considering that twenty-three (23) members of the full Committee are cosponsors of the bill, as well as four (4) additional Representatives, including yourself, who cosponsored the bill in previous Congresses. In addition, five (5) members of your Subcommittee are cosponsors and two (2), including yourself, were cosponsors in a previous Congress—giving the bill a potential majority vote at the Subcommittee level as well. And, as I am sure you know, the bill has an overwhelming majority of cosponsors in the House, with a majority of both caucuses supporting the legislation.

So why not schedule a vote on H.R. 82?

I understand that there have been issues of the cost to the Federal government. But the House has already violated its pay-as-you-go rule once to the tune of \$50 billion in order to block a tax increase affecting 21 million Americans. Addressing the inherent unfairness of the "Windfall Elimination Provision" (WEP) and the "Government Pension Offset" (GPO) in current Social Security law will help the more than 7.3 million public employees who are paying taxes to receive a benefit reduced by the Federal government because of their public service. The obvious unfairness of the WEP and GPO is a strong argument in favor of waiving the pay-as-you-go rule.

—BUILDING ON A PROUD TRADITION—

The WEP was enacted in 1983 as part of a large reform package designed to shore up the financing of the Social Security system. It went into effect in 1985 and applies a modified formula designed to reduce the amount of the Social Security benefit received by individuals who collect a government pension. The ostensible purpose of the WEP is to remove a "windfall" for persons who spent some time in jobs not covered by Social Security (like public employees) and also worked other jobs where they paid Social Security taxes long enough to qualify for retirement benefits. The practical effect of the provision on low-paid public employees outside the Social Security system is that they lose up to sixty percent (60%) of the Social Security benefits to which they are entitled--this is a loss, not an adjustment for a "windfall." The only windfall in this scenario is to the Federal government.

This inequity especially hurts law enforcement officers, who, because of the rigorous physical requirements of their profession, retire earlier than other government employees, to begin second careers which require them to pay into the Social Security system.

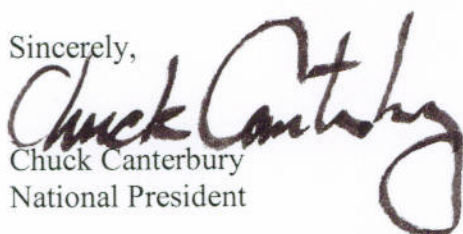
Clearly, this is unfair. The WEP substantially reduces a benefit that workers had counted on when planning their retirement. The arbitrary formula, when applied, does not eliminate "windfalls" because of its regressive nature--the reduction is only applied to the first bracket of the benefit formula and causes a relatively larger reduction in benefits to low-paid workers. It also overpenalizes lower paid workers with short careers or, like many retired law enforcement officers, those whose careers are evenly split inside and outside the Social Security system.

Like the WEP, the GPO was adopted in 1983 to shore up the finances of the Social Security trust fund. It offsets the Social Security benefit to which a spouse or widow(er) is entitled by two-thirds of the monthly amount of any government pension that they might receive. Again, the FOP believes this is a matter of fairness and that the offset scheme currently in place penalizes those employees least able to afford it. Law enforcement officers, who often do not participate in the Social Security system, are especially affected.

We need your help, Mr. Chairman. Congress has held five hearings on this issue in just the past four years--three of which have been held by the Subcommittee on Social Security--and yet no vote on this issue has been held. At a time when there seems to be very little that Members of both parties can agree on, this legislation has demonstrated broad bipartisan support in great numbers. It deserves consideration and a vote.

I hope that you will again demonstrate your support for the men and women in law enforcement by using your authority as Chairman to schedule action on H.R. 82. Rest assured that the FOP will do everything we can to generate support for the bill and efforts to pass it. I look forward to working with you to get this bill to a vote. If I can be of any assistance whatsoever, please do not hesitate to contact me or Executive Director Jim Pasco in my Washington office.

Sincerely,


Chuck Canterbury
National President