



RETIRED STATE, COUNTY AND MUNICIPAL EMPLOYEES ASSOCIATION OF MASSACHUSETTS

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Honorable Jason Smith
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Honorable John Larson
Ranking Member
Subcommittee on Social Security

Social Security's Disservice to Public Servants: How the Windfall Elimination Provision and Government Pension Offset Mistreat Government Workers November 20, 2023

Thank you for the opportunity to present written testimony regarding the devastating and unfair impact of the Social Security Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) laws on retired public employees. We are also respectfully requesting that this Congress finally bring an end to both the WEP and GPO laws – two unfair laws that continue to cause considerable unjust financial harm to millions of public retirees across the country.

Founded in 1968, the Retired State, County and Municipal Employees Association of Massachusetts (*Mass Retirees*) is a bi-partisan organization representing some 52,000 retired Massachusetts public employees. Our Association is somewhat unique in that we represent retirees from all walks of public service across the Commonwealth. *Mass Retirees* members include firefighters, police officers, state workers, teachers, and all other public retirees from across Massachusetts.

Our Association has been a leader in the advocacy effort to end the WEP and GPO since the laws' creation in 1983. In fact, *Mass Retirees* was among the first organizations in the country to call the inclusion of WEP and GPO within the Social Security Reform Act a mistake.

For the past forty years, *Mass Retirees* has been at the forefront of the national effort to repeal or reform both the WEP and GPO. We maintain that these two laws are not only unfair to retired public employees, but also inherently flawed in the arbitrary way they were designed and subsequently applied.

As you may know, the entire Massachusetts public workforce is outside the coverage of Social Security. The fact is that the Commonwealth's public pension systems predate Social Security originally prohibiting our public workforce from participation in Social Security.

Like many other public workers across the country, Massachusetts public retirees often qualify for Social Security through employment that was covered by Social Security. Our members paid their federal FICA taxes through military service, private sector employment, and government employment that is covered service – work that often supplements the modest incomes of public servants.

Lack of Notification and Public Awareness

Rarely does a day go by where we do not hear from a member unfairly harmed by WEP or GPO. Retirees often report that they were unaware of the existence of these laws until they began to actively plan for retirement. However, it is not unusual to hear from retirees who first learned of WEP/GPO when they applied for Social Security – only to be told that their monthly benefit would be reduced by the WEP or eliminated entirely by the GPO.

The lack of notification and public awareness of these two laws creates a significant problem. First, by no fault of their own, retirees and their families are not properly prepared for retirement in that part of what they believed to be reliable retirement income has been suddenly taken from them.

Second, insufficient notification and education leads to confusion and the spread of misinformation. Few retirees know how WEP/GPO function or have a general understanding of the Social Security benefit formula. They are unaware of these laws because they are rarely notified that they exist – that is until it is too late.

Finally, we believe that the characterization of “double dipping” is a misnomer. Frankly, the term is insulting to the hard-working public retirees who spent their careers keeping us safe, educating our children, and ensuring the proper administration of public services.

Our members are not seeking a handout. They are not asking for anything that they did not pay for and earn through their labor – no different than any other American.

Financial Harm and Diminished Quality of Life

Public retirees whose Social Security benefits have been reduced by the WEP or eliminated by the GPO experience true financial harm, as well as a diminished quality of life in retirement. As we stated above, the lack of notification of the existence of these laws prevents public employees from properly planning for their future.

The loss of earned benefits due to the WEP or the GPO's elimination of a spousal benefit normally paid to a widow represent a real financial blow to retirees and their surviving spouses. Many are forced to return to work, if that is possible, to make ends meet. Others adapt by changing life plans, which may sadly include selling their home.

After playing by the rules, working hard, and earning a benefit the impact of the WEP is a harshly unfair blow upon public retirees. Not to mention the fact that public retirees generally earned modest incomes with working, which is a reason why many maintained a second job. These facts leave public retirees financially vulnerable to the impact caused by loss of income from WEP/GPO.

Detriment to Recruitment and Retention of Public Employees

Like many sectors of our economy, public service struggles to recruit and retain qualified employees. This is particularly true in positions that require skills that are often built through private sector employment.

The existence of WEP/GPO further diminishes the ability of public sector employers to recruit qualified employees, as well as retain existing workers. The allure of higher paid private sector jobs, combined with the protection of earned Social Security benefits, is an ever-growing obstacle to public sector careers.

Our communities will become less safe, while public education suffers, and the effectiveness of government services eroded if we cannot maintain a vibrant public workforce.

Ending the WEP/GPO is not only fair to existing and future retirees but is also essential to the future of our public sector workforce. This is an important factor, given that the number of public retirees impacted by WEP/GPO continues to significantly grow each year.

Restore Faith in Congress

The length of time WEP/GPO have existed, along with the number of starts and stops taken by Congress in addressing these issues, has given rise to public distrust and cynicism of our democratic process. Many retirees have grown to not only distrust the legislative process but have lost faith in the ability of their elected officials to address what we see as a critical problem.

Congressional action to end WEP/GPO, taken this session, will serve to demonstrate to both current and future public retirees that their service is valued and that our federal government will once again honor its commitments.

Given the now widespread agreement that WEP/GPO are unfair and unjustly harm public retirees, now is the time to act. Now is the time to end both WEP and GPO. Public retirees deserve to receive the Social Security benefits in which they and their spouses have earned – nothing more and nothing less.

Mass Retirees has a long and consistent history of working directly with our elected officials to address issues of mutual concern. We are good faith partners in this process and look forward to continuing to work with the various Congressional Committees and staff to finally bring an end to this 40-year unfair financial penalty.

Thank you for the opportunity to voice our members' concerns and our thoughts.

Most sincerely,



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President
Mass Retirees Association



Shawn Duhamel
Chief Executive Officer

The Voice Of The Retired Public Employee