Repeal the Windfall Elimination Provision and Government Pension Offset

The California Retired Teachers Association supports the repeal of the Windfall Elimination Provision (WEP) to protect the benefits of educators who entered teaching as a second career, and the Government Pension Offset (GPO) to protect the survivor benefit.

The WEP reduces benefits that were paid for as part of the Social Security payroll tax. This benefit was created to ensure that a worker was not put into poverty. The WEP can lead to a significant reduction of the Social Security benefits that were earned and paid for.

The survivor benefit was paid for by the Social Security earner as part of the Social Security payroll tax. The survivor benefit was created to ensure that the surviving spouse was not put into poverty. The GPO eliminates the survivor benefit even with a modest public pension. When the GPO is applied to the survivor benefit, it can often relegate the surviving spouse into poverty conditions.

The WEP reduces the ability to recruit private industry workers as second career teachers to bring their skills and knowledge to California’s classrooms. This transfer of knowledge is particularly important in some of the high technology areas for our high schools and community colleges.

Women are disproportionately impacted by the WEP and GPO in California. Approximately 72 percent of teachers in California are women who receive less service overall than men due to their disproportionate role as the primary caretakers of children and seniors in their family.

Of those impacted by the GPO nationally, 54 percent were spouses and 46 percent were widows or widowers. Out of the total potentially beneficiaries, 72 percent lose all Social Security benefits, leaving those impacted without a safety net.

The harsh fiscal impact of the WEP/GPO is the number one cause of plummeting a retired teacher into low-income and poverty status.

Covered Payroll (Total salary and wages used for Social Security contributions)
Annual Covered Payroll = $7.137 trillion
Annual Cost of Social Security = $885 billion
Annual Cost of WEP Repeal = $9.278 billion
Cost of WEP Repeal = 0.13 of Payroll
Annual Cost of GPO Repeal = $4.282 billion
Annual Combined Cost of WEP/GPO Repeal = $13.56 billion

Annual WEP/GPO Cost (trillions)

Teachers’ Voices:
“I have depleted my savings by supplementing my teachers pension since I retired in order to cover my bills. I now must sell my house. The Social Security widows’ benefit would have saved me and would help me now. Please repeal the GPO/WEP.” – Laurie B.

“It is unfair and penalizes those who have exerted extra efforts to earn income for their families. While I worked for 35 years in California's public education system, I concurrently worked for 20 years as an adjunct professor in the public and private university system in California. During those 20 years, I contributed fully, 100%, as required into the Social Security system. We should not be penalized by having our earned pensions from that system reduced as currently exists.” – Joe A.