



GPO/WEP



Let's end this



What are GPO and WEP?

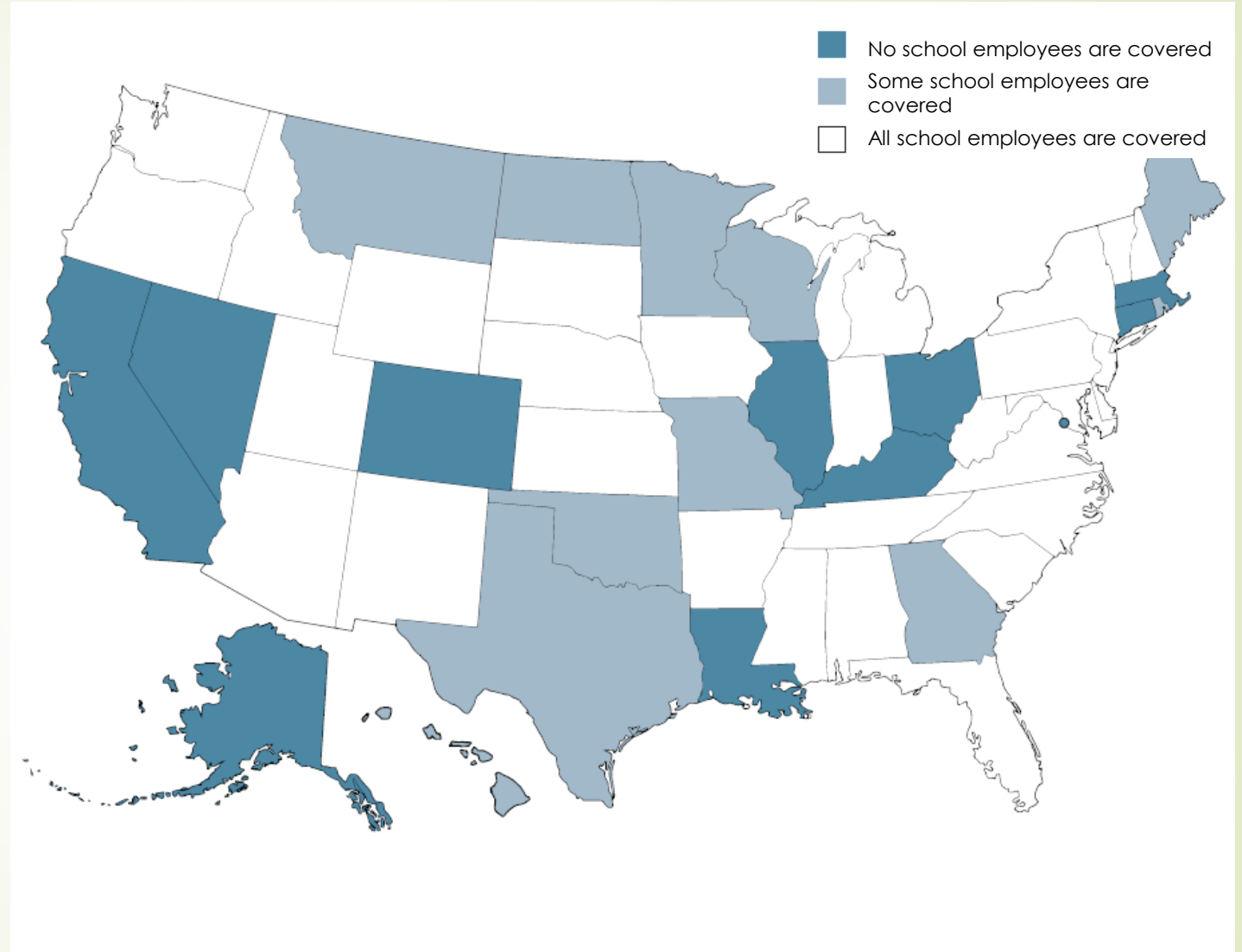
Government Pension Offset (GPO): Reduces or eliminates Social Security spousal or survivor benefits for retirees who also receive a pension from a non-Social Security covered government job (like Ohio's SERS and STRS pensions).

Windfall Elimination Provision (WEP): Reduces Social Security retirement benefits for individuals who also receive a pension from a non-Social Security covered government job, if their Social Security earnings are low.

Impact: These provisions can significantly decrease the retirement income of school employees and retirees who worked for both public and private sectors.

Who is affected by GPO/WEP?

➤ Ohio is one of 15 states that have employees who aren't covered by social security and are affected by GPO/WEP



Understanding the Government Pension Offset (GPO)

- Applies to:
 - Public employee retirees receiving public pensions who first became eligible after July 1, 1983.
 - Public employee retirees receiving Social Security spousal or survivor benefits based on a spouse's Social Security account.

Understanding the Government Pension Offset (GPO)

- Impact:
 - Reduces or eliminates spousal or survivor benefits by 2/3 of the retiree's SERS pension amount.
 - Example: If a retiree receives a \$2,000/month SERS or STRS pension, their Social Security survivor benefit could be reduced by \$1,333/month ($2/3 * \$2,000$). This could significantly impact their combined retirement income.

Understanding the Government Pension Offset (GPO)

- Financial Hardship: Reduced benefits can lead to financial insecurity for retirees who rely on both Social Security and their SERS pension, especially those with limited savings or other income sources.
- Unfairness: GPO penalizes public service by potentially denying spouses retirement benefits they earned through their spouse's contributions to Social Security.

Understanding the Windfall Elimination Provision (WEP)


- Applies to:
 - SERS retirees with limited Social Security earnings from private sector jobs.
 - Retirees with less than 30 years of "substantial" earnings covered by Social Security.

Understanding the Windfall Elimination Provision (WEP)

- Impact:
 - Reduces Social Security retirement benefits based on a formula considering their SERS or STRS pension and Social Security earnings.
 - Example: A retiree with a \$3,000/month SERS pension and 20 years of Social Security coverage might see their Social Security benefit reduced by several hundred dollars per month.

Understanding the Windfall Elimination Provision (WEP)

- Discourages Career Changes: WEP can penalize those entering public service later in life, impacting career choices and potentially discouraging individuals from pursuing education careers.
- Unfairness: WEP disregards career contributions to SERS or STRS and assumes public service pensions provide windfall benefits, reducing overall retirement income for many dedicated public servants.



Why are GPO and WEP unfair?

- Penalizes public service: School employees contribute to their pensions throughout their careers, yet GPO and WEP can significantly reduce their retirement income compared to private sector workers.
- Discourages career changes: Entering public service later in life can trigger WEP penalties, discouraging individuals from pursuing teaching or other school roles.
- Financial hardship: Reduced benefits can lead to financial insecurity for retirees who rely on both Social Security and their pension.



What are NEA and OEA Doing About This?

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Call to Action

- ▶ Together, let's ensure fair retirement benefits for all public servants, including Ohio's dedicated school employees!
- ▶ Resources: <https://www.nea.org/resource-library/about-gpo-and-wep>

Q&A