



# fact sheet

## Windfall Elimination Provision (WEP)

### What is it?

The Windfall Elimination Provision (WEP) is a federal law that applies to nearly everyone receiving a public pension from work not covered by Social Security as public employees. The WEP impacts those individuals who were not eligible to retire prior to December 31, 1982. If the public employee also worked in a Social Security covered job for at least 10 years, the WEP creates a public pension offset that can greatly reduce that person's earned Social Security benefit. The WEP's reduction of Social Security benefit may be no more than one-half of the government pension to which the retiree is entitled in their initial month of entitlement to the pension.

### Who does it affect?

It impacts those public employees in states that do not participate in the Social Security system (i.e. teachers, police and fire employees). It affects public employees in virtually every state; however, those states with the greatest impact are Alaska, California, Colorado, Connecticut, Illinois, Louisiana, Kentucky, Maine, Massachusetts, Missouri, Nevada, New Mexico, Ohio, Rhode Island, and Texas.

### How does the WEP work?

For public retirees who come under the WEP, there is a modified formula for determining the Social Security benefit.

### Can the WEP be repealed?

Yes. U.S. Senator Feinstein and U.S. Representative Berman introduced legislation in the 111<sup>th</sup> Congress that would repeal the WEP; however, it would cost more money from the Social Security Trust Fund, which could make enactment more difficult. A+PEL is working closely with our national partner, Association of American Educators (AAE), to support legislation that would repeal the WEP.

For more information visit: <http://www.ssa.gov/pubs/10045.pdf>