

August 23, 2023

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Minority Leader
United States House of Representatives
Washington, DC 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker McCarthy, and Minority Leader Jeffries:

The standard Social Security benefit formula is not well-equipped to handle individuals who spent only part of their career in covered employment. Thus, Congress enacted the Government Pension Offset ([GPO](#)) in 1977 and the Windfall Elimination Provision ([WEP](#)) in 1983 to prevent these workers from receiving undue benefits. The WEP adjusts Social Security benefits for workers with some years of earnings covered by state or local pensions and some years of earnings covered under Social Security, while the GPO makes similar adjustments for spouses and survivors with noncovered employment.

Their intent is to avoid treating those with a limited number of years in covered employment as if they were necessarily lifetime low-income workers when calculating Social Security benefits. Even though many of these beneficiaries have moderate or high lifetime earnings—and, often, government pensions [more valuable](#) than average Social Security benefits—the standard benefit formula only accounts for their covered earnings. Absent the WEP and GPO, these beneficiaries would receive much higher Social Security benefits than intended. Although well-intentioned, the WEP and GPO are complex, in some cases unfair, and widely misunderstood.

As currently drafted, however, the Social Security Fairness Act of 2023 ([H.R.82](#)) would not achieve a fairer Social Security program and would instead make the program's financing challenges worse by [siphoning \\$146 billion](#) from the Social Security trust funds over the next 10 years alone.¹ H.R.82, which would eliminate the WEP and GPO without enacting any other

¹ The Congressional Budget Office has estimated an even greater cost of [\\$183 billion](#).

benefit adjustment for these workers, would advantage [higher-income households](#) to the tune of billions of dollars, enabling them to benefit disproportionately, at taxpayer expense, from Social Security and their state or local government pension.

Fortunately, alternative proposals already exist that would address the problems raised by the WEP and GPO at a fraction of the cost of H.R.82—or even no cost at all. The details vary, and they are important, but each seeks to improve fairness without providing an unwarranted windfall to beneficiaries who worked in non-covered employment. The Bipartisan Policy Center’s Commission on Retirement Security and Personal Savings, for example, [recommended](#) prorating Social Security benefits based on the fraction of an individual’s lifetime earnings covered by the program. This solution, versions of which [President Obama](#) and former House Ways and Means Committee Chairman [Sam Johnson](#) also supported, would actually [bolster the solvency](#) of the program. Approaches advanced by another former Ways and Means Chairman [Kevin Brady](#) and current Ranking Member [Richard Neal](#) would also fix the longstanding problem, albeit more gradually and with the added expense during the transition of flat monthly “rebate” or “relief” payments on top of standard benefits.

We firmly believe that the WEP and GPO should be reformed, but H.R.82 would exacerbate the problem while siphoning billions of taxpayer dollars out of the Social Security trust fund and into high earners’ pockets. As you deliberate on ways to make Social Security stronger and fairer, we urge you to consider alternative solutions for the public servants affected by the WEP and GPO—solutions that are equitable and do not hasten the depletion of the Social Security trust fund.

Sincerely,

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Note: The signatories above have signed this letter in their individual capacities. Their signatures do not represent the endorsement of the institutions with which they are affiliated.

cc:

The Honorable Jason Smith, Chairman, House Committee on Ways and Means
The Honorable Richard Neal, Ranking Member, House Committee on Ways and Means
The Honorable Drew Ferguson, Chairman, House Subcommittee on Social Security
The Honorable John Larson, Ranking Member, House Subcommittee on Social Security
The Honorable Ron Wyden, Chairman, Senate Committee on Finance
The Honorable Mike Crapo, Ranking Member, Senate Committee on Finance
The Honorable Sherrod Brown, Chairman, Senate Subcommittee on Social Security, Pensions, and Family Policy
The Honorable Thom Tillis, Ranking Member, Senate Subcommittee on Social Security, Pensions, and Family Policy