

All federal employees/civilian annuitants make up about 5,540,785 individuals across the U.S.

Government Pension Offset (GPO)

- 734,601 retirees affected (Dec. 2022)
- 83% are women
- 70% of those affected lose ALL their Social Security benefits
- 52% have their spousal benefits affected
- 48% have their Widow's or Widower's benefits affected
- The GPO causes a higher percentage cut for lower-income retirees

Windfall Elimination Provision (WEP)

- 2 million retirees affected (Dec. 2022)
- Among them 54% are men
- Penalty is decreased for people with "(Substantial) SS Covered Earnings". 2023 Substantial Earnings requirement is \$29,700.
- The WEP causes a larger reduction for low-income recipients

- The GPO (adopted in 1977) typically eliminates most, if not all, of the otherwise payable spousal and survivor benefits for retirees who receive a government annuity for non-Social Security work. That's because the GPO reduces Social Security spousal and survivor benefits by two dollars for every three dollars paid in Civil Service Retirement System (CSRS) annuity benefits to affected retirees.
- The WEP (enacted in 1982) reduces the Social Security benefits of retired public employees (federal, state and local) who also worked in Social Security-covered private sector employment—if they receive a government annuity for their non-Social Security covered government employment. This provision hits CSRS retirees directly (but not FERS retirees).
- The Social Security Fairness Act, H.R. 82, would fully repeal the WEP and GPO, providing substantial relief to federal retirees, and others, affected by the current unfair penalties.

Cost of Living Adjustments (COLAs)

- 2.7 million affected
- A COLA is provided to offset or reduce the effects of inflation on retirement benefits. Inflation erodes the purchasing power of retirement income over time.
- Without adequate COLAs, such inflationary depreciation can affect the sufficiency of retirement benefits for certain groups: those who are unable to supplement their income by working, due to disability or advanced age; those who receive little or no Social Security benefit; and those whose public pension accounts for a large portion of their income.
- Current law holds the Federal Employee Retirement System (FERS) COLA at 2 percent if the full COLA falls between 2 and 3 percent, and it reduces FERS COLAs by one percentage point if the full COLA exceeds 3 percent.

- The Equal COLA Act, H.R. 866, would change the unfair formula used to calculate the FERS COLA. In particular, it would remove the cap for the FERS COLA under current law. This bill would result in more judicious COLA calculations for FERS retirees, preventing an average FERS retiree from losing tens of thousands of dollars over their retirement by calculating COLAs that truly reflect the spending of retirees.