



# WAYS AND MEANS

## CHAIRMAN KEVIN BRADY

### **EQUAL TREATMENT OF PUBLIC SERVANTS ACT OF 2015** **INTRODUCED BY: CHAIRMAN KEVIN BRADY AND REP. RICHARD NEAL**

#### **KEY POINTS**

- Permanently repeals the current Windfall Elimination Provision (WEP) and replaces it with a fair formula that treats public servants like all other American workers.
- Provides relief to current retirees already affected by the WEP.
- Guarantees public servants receive the benefits they earned while they paid into Social Security.
- Saves \$3.5 billion through 2025 and improves Social Security's solvency over the long run.

#### **BACKGROUND**

*The Equal Treatment of Public Servants Act guarantees public servants will receive Social Security benefits that reflect their actual work history.*

- Social Security benefits will no longer be figured by the arbitrary WEP formula established in 1983, but will be based on each worker's Social Security contributions – just like everyone else.
- Under the Public Servant Fairness Formula, a worker's benefit amount will be calculated using total lifetime earnings and then adjusted for the proportion of earnings that came from a job covered by Social Security.
- Public servants who turn age 62 on or after January 1, 2017 will benefit from the new Public Servant Fairness Formula.

*Social Security benefits will increase for teachers, fire fighters, police officers and other public servants currently subject to the WEP.*

- Retired public servants currently subject to the WEP – and those who turn age 62 before December 31, 2016 – will see a reduction in the WEP offset, leading to an increase in Social Security benefits.

*Equal treatment for all workers.*

- Public servants who earn both a Social Security benefit and a pension from a Social Security substitute will finally receive treatment equal to other workers.

*This legislation was developed in close consultation with teacher and public servant organizations, particularly those in Texas, Ohio, and Massachusetts.*