The Public Servants Protection and Fairness Act fixes the Windfall Elimination Provision (WEP) by introducing a new proportional formula, provides meaningful WEP relief to current retirees, includes a benefit guarantee so that no current or future retirees can be worse off as a result of the bill, and ensures that public servants across the nation can retire with the security and dignity they deserve.

Originally, the WEP was intended to equalize the Social Security benefit formula for workers with similar earnings histories, both inside and outside of the Social Security system. However, in practice, it has unfairly penalized many public employees. Currently, 1.8 million Social Security beneficiaries are affected by the WEP. The much-needed reform in this bill provides meaningful WEP relief to current retirees and public employees while treating all workers fairly.

**Current Retirees: Immediate Relief Payments**

The bill provides immediate relief to current Social Security beneficiaries affected by the WEP. Current beneficiaries (and those turning 62 before 2022) who are affected by the WEP due to their own public service work will receive an extra $150 a month, starting nine months after enactment and continuing for as long as the eligible individuals are receiving Social Security benefits. The relief amount cannot exceed the size of each person’s current WEP reduction.

**Future Retirees: New Formula and Benefit Guarantee**

Future retirees (those turning 62 in 2022 and later) will be eligible for a new, fairer benefit formula, called the Public Servant Protection (PSP) formula. The PSP formula calculates benefit amounts based on the proportion of lifetime earnings covered by Social Security.

The Public Servants Protection and Fairness Act includes critical protections to ensure that no one receives a lower benefit as a result of this legislation. First, it maintains the current WEP exemptions (i.e., for individuals not receiving a pension, and for those with 30 years of coverage) and extends them to the PSP as well. That is, people are exempt from both the PSP and the WEP if they have 30 or more years of coverage or if they do not receive any pension based on their state or local employment.

In addition, the bill provides a benefit guarantee for all future retirees: if someone’s PSP benefit is not as high as their WEP benefit, they will automatically receive the higher benefit. This guarantee is permanent, applying to all future retirees.

About seven in 10 future retirees affected by the WEP will receive a higher benefit under the new PSP formula, with the increase averaging about $75 a month. The remaining three in 10 are protected by the benefit guarantee and will see no change in benefits because they already receive higher benefits under the WEP than they would under the proportional formula due to their specific earnings patterns. They will get to keep that higher amount. Finally, the bill shields millions of other public servants from being newly subjected to the WEP or PSP.

**Additional Provisions**

The bill also improves the Social Security Statement for affected workers, so that future benefit amounts will not be a surprise. Finally, it protects the Social Security trust funds with general revenue transfers to cover these costs, so as not to penalize other workers’ retirement security even as we correct the urgent problems with the WEP.