



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.
- Is budget neutral 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.