



National Association of Letter Carriers **Legislative Fact Sheet**

The Windfall Elimination Provision

In 1983, Congress enacted the “Windfall Elimination Provision” (WEP) that changed the formula for computing Social Security benefits. The WEP reduces Social Security benefits of those who receive an annuity under the Civil Service Retirement System (CSRS) and also earned Social Security benefits from other employment. It applies to anyone who becomes 62 (or disabled) after 1985 and becomes eligible for his or her government annuity after 1985. In some cases, this provision can reduce the worker’s Social Security benefit by as much as 55.6%.

In the current Congress, two bills have been introduced that address the WEP. Representative Max Sandlin’s (D-TX) measure, HR 848, would completely repeal the WEP. Representative Barney Frank’s (D-MA) bill, HR 1073, would modify the WEP, exempting those whose combined CSRS annuity and Social Security benefits are less than \$2,000 a month. It would gradually phase in the formula for retirees who collect between \$2,000 and \$3,000 a month from these two sources. People receiving over \$3,000 each month would still be fully subjected to the WEP.

In addition to the Sandlin and Frank bills, two other bills would completely eliminate the WEP. S 1523, drafted by Senator Diane Feinstein (D-CA), and HR 2638, introduced by Representative Buck McKeon (R-CA), address both the WEP and the Government Pension Offset, which reduces the benefits of CSRS retirees who are also eligible for a Social Security spousal benefit

The NALC supports these measures and will push for their passage in the 107th Congress. The NALC recognizes that the WEP cannot be completely eliminated without significant costs. For that reason, Representative Frank’s approach may present the best opportunity to begin addressing the problem.

For more information contact the NALC Legislative Department at (202) 393-4695