



CONGRESSIONAL TESTIMONY

STATEMENT FOR THE RECORD

BY

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO

BEFORE THE SENATE COMMITTEE ON FINANCE

SUBCOMMITTEE ON

SOCIAL SECURITY, PENSIONS, AND FAMILY POLICY

KEEPING THE PROMISE OF SOCIAL SECURITY FOR OHIO'S FIRST

RESPONDERS AND PUBLIC SERVANTS

ON JUNE 7, 2024

Chairman Brown, Ranking Member Tillis and Members of the Subcommittee:

My name is Marlena Slaughter. I am a retired member of American Federation of Government Employees (AFGE) LOCAL1148, District 6, having worked for over 30 years at the Defense Supply Center (DSC) in Columbus, Ohio, where we supported the logistics of our brave men and women in the armed services. I have stayed involved in AFGE as their District 6 Retiree Coordinator in order to continue to advocate for public servants. On behalf of AFGE, which represents over 750,000 federal employees at over 70 different agencies, we appreciate and thank Senator Brown and this Subcommittee for holding this important hearing in my hometown of Columbus, Ohio.

The Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) unfairly deny workers, their spouses, and their children benefits they earned through their FICA payroll tax contributions. The WEP and GPO unfairly dismantle the earned savings of many retirees. Aging should not be a burden on society. After a lifetime of hard work, older Americans should be valued. But the WEP and GPO are unfair attacks on retirees.

I have personally been impacted by these unfair penalties. After working as a public servant for over 30 years, I retired ten years ago after suffering from stenosis in my spine and needing a rod surgically implanted. Prior to my government service, I had worked for nearly ten years at several different hospitals. I worked hard to earn my Social Security benefits, and it is devastating that my modest benefits are being taken from me. These penalties really hurt my finances, making it difficult to get by and enjoy my so-called golden years.

I'm not the only one suffering from WEP/GPO; many of my colleagues in Columbus and across the nation similarly face a tough financial outlook in retirement without the benefits they earned. That is what motivated me to be part of a movement of retirees that stay active and grounded by organizing against this unfair penalty. Organizing drives my activism, and as a retiree I want to help persuade legislators and the public that strengthening retirement is essential to our families and our communities. It is time to repeal the WEP/GPO.

Social Security is a social insurance program that protects individuals who cannot work because of age or disability. Its benefits are extremely modest, but it keeps millions of seniors, children, disabled individuals and their families out of poverty.

The WEP/GPO unfairly targets the Social Security benefits earned by public

service workers, including teachers, police officers, firefighters and tens of thousands of federal retirees under the Civil Service Retirement System (CSRS). In total, more than two million Americans have their earned benefits reduced or eliminated by the WEP and around 800,000 Americans have benefits reduced or eliminated by the GPO. These penalties disproportionately affect lower-income workers. Eighty-three percent of Americans subject to the GPO are women, who are already more likely to fall into poverty as they age. About 68% of those impacted by the GPO have their benefit fully offset, which means they lose every penny of their promised Social Security benefit.

Although nearly all current federal workers are in the Federal Employee Retirement System (FERS), the majority of the nearly 3 million current federal retirees are covered by CSRS and highly vulnerable to having earned Social Security benefits taken away unfairly by the WEP/GPO. These are individuals who spent their working lives serving the public, and now are facing a drastic reduction or even loss of their needed Social Security benefits.

AFGE also represents tens of thousands of Defense Department, State Department and other Americans working abroad to protect and serve America's interests. Because these individuals are more likely to have earned or married someone with a pension from outside the United States, they are also frequently harmed by the WEP/GPO.

Finally, AFGE represents workers at the Social Security Administration (SSA). After years of underfunding, the agency faces a crisis in recruiting and retaining workers able to serve the American public. According to an annual survey of public employee morale, SSA is now the worst large agency to work for in the federal government. Workers routinely leave for better working conditions and benefits at other federal agencies; at SSA's teleservice centers the attrition rate for Customer Service Representatives is 22%. The loss of trained and experienced workers has meant the average time to get a call answered through SSA's 1-800 number is now 38 minutes.

Giving the American people the service they need will ultimately require increasing funding for SSA. But eliminating the WEP/GPO could help the agency improve its service. A significant amount of incoming calls are to answer questions about the WEP/GPO, perhaps between ten and twenty percent. Besides reducing the call volume, it is difficult for call agents to explain why someone's earned Social Security benefits are being taken away. Eliminating the WEP/GPO will significantly improve SSA's ability to serve the public.

AFGE has endorsed and fully supports the SSA Fairness Act. This bill, introduced by Senator Sherrod Brown (D-OH) as S. 597, has 57 bipartisan cosponsors. The House companion, H.R. 82 led by Garret Graves (R-LA) and Abigail Spanberger (D-VA), has 322 bipartisan cosponsors.

AFGE thanks Sen. Brown and members of the subcommittee for holding this hearing on the Windfall Elimination Provision and Government Pension Offset and urge you to repeal these unfair rules harming retired public servants.

Marlena Slaughter

AFGE District 6 Retiree Coordinator

Columbus, Ohio

On behalf of The American Federation of Government Employees (AFGE)