

From Your California Retired Teachers Association (CalRTA)
The Voice for More Than 200,000 Retired Educators

November 2009

CalSTRS Watch and additional pension information are available online at www.calrta.org.

Social Security Penalties Hurt People With CalSTRS Pensions

If you rely on the annual statements of probable retirement benefits you receive from Social Security in your retirement planning, you may receive an unpleasant surprise when you go to apply for your Social Security pension. Social Security does not alert teachers and other public employees that they will be subject to two penalties in figuring their benefits. These penalties are called the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP). These penalties can substantially reduce, and often completely eliminate, any benefit you would otherwise receive from Social Security.

Government Pension Offset

The GPO reduces a retired teacher's spousal benefit under Social Security. If a person does not qualify for his/her own Social Security benefit, the person typically receives an amount from Social Security equal to one-half of the spouse's benefit. But when the retiree receives a pension from the California State Teachers Retirement System (CalSTRS), the spousal

benefit is reduced by two-thirds of the amount of the CalSTRS benefit. The GPO applies even when the spouse receiving Social Security dies. There is, in most cases, no survivor's benefit provided to the remaining spouse, who is deprived of significant income late in life.

Windfall Elimination Provision

The WEP impacts those teachers who have at least 10 years of work experience in Social Security covered employment. This is not unusual among teachers, who often worked at other jobs in the summer to meet their day-to-day living expenses and to provide for their families. The WEP reduces Social Security income earned in such situations by 50 percent.

Fight for Social Security Fairness

Fortunately, there is a move in Congress to repeal these unfair penalties. For years CalRTA has been a leader in this fight. With your support, we can finally see the end to these penalties that cause real financial hardships.

Social Security Fairness Rally November 7 in Sacramento and Pasadena

CalRTA and the California Coalition for Social Security Fairness are holding two rallies to educate affected professionals about these penalties.

Add Your Voice to the Fight

If you can't attend the rally, send an e-mail or letter to President Obama asking him to repeal these penalties.

Rally and letter details are online – www.calrta.org.



CalSTRS Watch is published by the California Retired Teachers Association (CalRTA). Please post this information so teachers and other staff covered by CalSTRS can see it.

CalRTA participates in or monitors all CalSTRS activities on behalf of retired educators.
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