

MTA Today

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***Fighting for fairness
on Social Security***

Senators hear testimony on unfairness of offsets

'There are many, many people out there who are hurt by these provisions'

By Sarah Nathan

Margaret "Peggy" Kane recently gave a big boost to the campaign to repeal two federal provisions that undermine the retirement security of hundreds of thousands of educators and others who have dedicated their lives to public service.

Kane, a retired Medford teacher and member of the MTA's Retired Members Committee, testified recently in Washington, D.C., before the Senate Subcommittee on Social Security, Pensions and Family Policy, which is chaired by Sen. John F. Kerry (D-Mass.). She urged the committee to support the Social Security Fairness Act of 2007, which would repeal the Government Pension Offset and the Windfall Elimination Provision.

Together and individually, the GPO and the WEP prevent public employees — including teachers, education support professionals, higher education faculty and staff, and other educators — from receiving full Social Security benefits.

"This is a far-reaching issue that has an impact on many members of our society," said Kane, a Wilmington resident who taught English at Medford High School for 35 years. "I've heard from teachers, firefighters, cafeteria workers, school van drivers and others.

"There are many, many people out there who are hurt by these provisions and want to help to get this legislation passed," she added.

On Nov. 6, Kane addressed the committee on behalf of the more than 107,000 members of the MTA, relaying her own personal story and those of other Bay State educators to illustrate how the offsets penalize educators in Massachusetts and 14 other states. Kane, a widow, is unable to collect survivor benefits because of the GPO, which reduces the amount of Social Security benefits paid to a spouse or survivor by an amount equal to two-thirds of the individual's public pension.

"People are shocked when they discover at retirement age, when it is too late, that Social Security is not going to be available to them," Kane said. "For many, the loss of these benefits can mean the difference between poverty and self-sufficiency."

Nine out of 10 public employees affected by the GPO lose their entire spousal benefit, even though their spouses had paid Social Security taxes for many years.

On the day she testified, Kane also spoke at a press conference at which she was joined by NEA Vice President



Photo by Bill Clark

MTA Retired member Margaret "Peggy" Kane is joined by U.S. Sen. John F. Kerry during an NEA press conference calling for the repeal of the Government Pension Offset and the Windfall Elimination Provision.

Dennis Van Roekel, Sen. Susan Collins (R-Maine) and Kerry. She delivered a powerful statement, earning a standing ovation from NEA members, both active and retired, from all over the country.

Retiree Nancy Mikunas, a former president of the Hanover Teachers Association who co-chairs the MTA's Government Pension Offset Committee with Kane, and Diana "Donnie" McGee, who serves as vice president of the Massachusetts Community College Council, were among the crowd of supporters. After the conference, Kerry described Kane's words as "moving."

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Before dying of cancer at age 53, Kane's husband, Dennis, contributed to Social Security for more than 30 years. For 26 of those years, he worked as a machinist at General Electric. Two days before he died, he told his wife that he would be able to "rest in peace," knowing that she would have his Social Security benefits to supplement her pension when she retired.

"This is an issue of fairness," Kane said. "My husband worked hard and paid into the Social Security system for many years, yet my family never saw a dollar."

Like the GPO, the WEP takes a heavy toll on public-sector retirees. The WEP reduces the earned Social Security benefits paid to an individual who also receives a public pension from a job not covered by Social Security.

Mark Levine, an English teacher at Littleton Middle School, offers a good example of the financial harm the WEP causes. He worked for 15 years as a waiter and chef before he joined the education profession. Levine, who is now in his 13th year of teaching, was surprised to learn that he is unlikely to get any of the money he paid into Social Security while working in the private sector.

"Since I decided to change careers, I'll get nothing," said Levine, who serves as president of the Littleton Educators' Association. "The bottom line for me, personally, is that I've paid into the fund. I've done what I was supposed to do. So why am I getting penalized for choosing to teach?"

While Levine chose to become a teacher despite the financial ramifications, others may not. The impact could be devastating at a time when Massachusetts is facing the biggest teacher shortage in its history. At the end of the 2007-2008 school year, approximately 5,000 teachers are

U.S. Sen. John F. Kerry, chairman of the Senate Subcommittee on Social Security, Pensions and Family Policy, called the hearing 'the beginning of an important national discussion about fairness, and about how we must keep faith with the public servants who keep America strong.'

expected to retire. Replacing these teachers will not be an easy task.

Moreover, new teachers are not staying in the education field for the long run. Over a three-year period ending in 2006, 29 percent of the new teachers in the state left their classrooms for other lines of work or other pursuits.

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The MTA is engaged in a petition drive to show members of Congress the importance of the issue. To date, the association has collected more than 50,000 signatures from people calling for the repeal of the GPO and the WEP. MTA members are using a variety of venues to collect signatures. Some are conducting signature campaigns in their locals and communities, while others are reaching out to neighbors, family members and other public employees.

"The time has come to do away with these harmful and financially damaging provisions," said MTA President Anne Wass. "They unfairly penalize public educators and their families, in some cases sending retired educators into poverty. They also undermine efforts to recruit and retain teachers at a time when attracting people to the profession could not be more crucial.

"People who have dedicated their lives to public service and students deserve better," Wass added.

The Social Security Fairness Act of 2007 now has 336 sponsors in the House and 34 sponsors in the Senate. The Senate version is sponsored by Sen. Dianne Feinstein (D-Calif.) and Collins. The House bill is sponsored by Reps. Howard Berman (D-Calif.) and Howard McKeon (R-Calif.).

Please see **GPO**/next page

MTA and NEA back repeal legislation

The Government Pension Offset reduces public employees' Social Security spousal or survivor benefits by an amount equal to two-thirds of their public pensions. Estimates indicate that nine out of 10 public employees affected by the GPO lose their entire spousal benefit, even though their deceased spouses paid Social Security taxes for many years.

The Windfall Elimination Provision affects people who have worked in jobs not covered by Social Security and in jobs in which they earned Social Security benefits. The WEP penalizes many people who move from jobs in the private sector to the education field, where they often do not earn credit toward Social Security.

Individually and in combination, the GPO and the WEP heavily penalize teachers, higher education faculty and staff and other education professionals, as well as other public employees, in Massachusetts and 14 other states in which public employees are not part of the Social Security system.

The two provisions have an impact on the recruitment and retention of teachers at a time when both are crucial for public education.

The MTA and the NEA are strong supporters of the Social Security Fairness Act, which would eliminate

both the GPO and the WEP. In the House, the legislation is H.R. 82; in the Senate, it is S. 206.

H.R. 82 now has 336 co-sponsors, while S. 206 has 34 co-sponsors. The list includes all Massachusetts members of the House and Senate.

MTA members are urged to contact their members of Congress and thank them for their support, as well as to encourage them to work for continued progress on the repeal of the offsets.

- To send e-mails to members of Congress, please visit www.massteacher.org/capwiz.
- To download petitions calling for repeal of the offsets, go to http://www.massteacher.org/news/headlines/headlines_2007-10-05.cfm.
- To become a member of the MTA Social Security e-let system, send your name, complete address, local association, MTA ID number and home e-mail address to Jo Ann Fitzgerald, MTA retired members service specialist, at jfitzgerald@massteacher.org. If you are a retired member, please include the name of your former local association.

GPO and WEP hit many educators

Continued from previous page

Despite enthusiasm for the bill, getting the legislation passed remains an uphill battle. In written testimony submitted to the Senate, representatives from the Government Accountability Office reported that the repeal of the GPO and the WEP would cost slightly more than \$80 billion at a time when the "Social Security trust funds already face long-term solvency issues."

Many programs aimed at education, health care and low-income people are starved for funding, due in part to the presidential administration's financial commitment to the war in Iraq. With an \$80 billion price tag, it is unlikely that the repeal bill will be approved by Congress and signed by President George W. Bush.

Kane, however, is encouraged by the support she received from Kerry and Collins. "Their passion for this issue and their determination were really apparent to me," she said. "They were very sincere. They want to do something and think these provisions are unfair."

On the day of the hearing, Kerry issued a statement noting that "families of public servants are being unfairly penalized and do not receive the benefits due to them in return for a life of hard work and public service."

The hearing, Kerry said, marked "the beginning of an important national discussion about fairness, and

about how we must keep faith with the public servants who keep America strong."

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Karen Beauchemin, president of the Dennis-Yarmouth Regional Secretary and Assistants Association, sees the harm inflicted by the GPO and the WEP on a regular basis. She represents 177 secretaries and ESPs, most of whom earn less than \$20,000 a year at their jobs in the public schools.

Many of her members, most of whom are women, work two or three jobs to make ends meet. They are hit from both sides. The GPO prevents many of them from collecting survivor benefits after a spouse dies, and the WEP keeps them from collecting benefits earned in the private sector once they retire from their jobs in the public schools.

"Women are hit the hardest by the Government Pension Offset because they are the ones usually left behind," Beauchemin said. "I hear stories of retired teachers, who make more money than my members who are in lesser-paying jobs, going on welfare after their husbands die because they cannot make it on their pensions and they cannot collect survivor benefits."

The provisions are a major problem for those in the higher education system, as well.

"Educators in public higher ed are impacted in a lot of the same ways as those in K-12," said McGee. "The

difference is that a lot more of our faculty and professional staff begin their careers at a much later age. This is partly because there is such great competition for full-time employment and also because many of these jobs require work experience and professional credentials."

For example, McGee noted, higher education faculty working in any of the allied health programs must have a background in the field before they can qualify for a teaching position.

"As a result of the WEP, qualified professionals are less likely to be interested in working in public higher ed," she said. "Those who become vested in the state system are shocked when they learn of the negative impact that this provision will have on their retirement."

Across the country, more than one-third of teachers and education employees and more than one-fifth of other public employees are not covered by Social Security and are therefore subject to the GPO and the WEP. Some 300,000 individuals lose an average of \$3,600 a year due to the GPO alone — an amount that can make a huge dif-



Photo by Jo Ann Fitzgerald

MTA members Diana "Donnie" McGee and Nancy Mikunas look on during the press conference.

ference for an individual straddling the line between being financially solvent and destitute.

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Since Kane returned from Washington, she has been amazed by the response she has received. She has gotten a steady stream of phone calls and e-mails, and she is regularly stopped by people on the street.

"We need to do what we can to mobilize these people and get them involved in our fight for this legislation, because they are willing to help," Kane said. "Every day I meet people who are affected, many of whom are not teachers. This is not just a female-teacher issue. There are lots of people out there who are hurt or are going to be hurt by these provisions when they retire."