

Opening Statement
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Senator Braun's Aging Committee Field Hearing
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Good afternoon Senator, on behalf of over 370,000 FOP members nationwide and nearly 17,000 in Indiana, I would like to thank you for discussing this vital issue and the negative impact of the Windfall Elimination Provision, or WEP, and the Government Pension Offset Provision, or GPO, has on our public safety officer retirees. To be clear, this is our number one legislative priority, and several groups are in attendance to support fixing this problem. These include the Indiana Troopers Association, International Association of Chiefs of Police (IACP), and the International Association of Fire Fighters (IAFF). It is an especially important issue of our nation's public safety officers.

For this reason, Senator, today I am asking you to cosponsor S. 597, the "Social Security Fairness Act." The Senate bill currently has 44 cosponsors. The House companion member (HR 82) has 289 cosponsors—including Representatives Frank Mvrn, Jim Banks, Rudy Yakym, and Andre Carson.

The FOP contends that this provision has a disparate impact on law enforcement and other public safety officers for several reasons. First of all, law enforcement officers retire earlier than employees in many other professions. Owing to the physical demands of the job, a law enforcement officer is likely to retire between the ages of 45 and 60. Secondly, after 20 or 25 years on the job, many law enforcement officers are likely to begin second careers and hold jobs that do pay into the Social Security system. Even more officers are likely to "moonlight," that is, hold second or even third jobs throughout their law enforcement career in order to augment their income. This creates an unjust situation that too many of our members find themselves in: they are entitled to a State or local retirement benefit because they worked 20 or more years keeping their streets and neighborhoods safe, and also worked at a job or jobs in which they paid into Social Security, entitling them to that benefit as well. However, because of the WEP, if their second career resulted in less than twenty (20) years of substantial earnings, upon reaching the age at which they are eligible to collect Social Security, they will discover that they lose sixty percent (60%) of the benefit for which they were taxed! Actuarially speaking, I doubt many officers will live long enough to "break even"—that is, collect the money they paid into the system—let alone receive any "windfall." These men and women earned their State or local retirement benefit as public employees and they paid Social Security taxes while employed in the private sector. How is this a windfall?

Fairness, Justice, and Equality have always been important words in this country. They are extremely important to my organization. In fact they were put in the FOP logo around 108 years ago. So many people are passionate about this issue because it is about fairness and inequality. As a police officer, we know being financially wealthy is not an option, but we never thought we would be treated differently and financially penalized for serving our communities. Let me be clear on this, what we are asking for is simply what we have EARNED and nothing more. I have never met anyone that after understanding this issue, believes this is fair. In fact, most believe

this goes against the fundamental way of American life. It should be noted that we also pay into our pension systems as well and many have negotiated this as part of a total compensation package, only to discover later they are penalized.

Police Officers love the communities we serve but because the pay is so low most of us work other jobs as well. In fact, as knowledge about the impact the WEP and GPO have on the ability of officers to retire, it is hurting recruitment efforts. Our young people do not want to go into a career that will penalize the Social Security benefits they might earn from secondary employment or from a post-law enforcement career. As a nation, we are experiencing a recruitment and retention crisis in law enforcement. We need to be doing everything we can to make the profession of law enforcement attractive to our young people. Repealing the WEP and GPO will make many of our retirement and pension systems appealing to the next generation of officers.

Our members want social security to last and while the WEP is vital to our membership, it is a small fraction of the total social security conversation. The WEP affects about 2.1 million people and roughly 18,000 Indiana residents. The recent CBO estimated the cost at of the WEP at 88 billion over 10 years and the GPO at 107 Billion during the same time. While certainly a great deal of money, it is again what we paid into the system.

I contend if we are trying to maintain social security on the backs of public servants, then we have a much larger problem as a society. We believe that this topic should be discussed on its own merit and not part of the total social security conversation.

The fact that some retired police officers are now having to face purchasing medication or food is a travesty and should be fixed immediately. Several of our members retired when they thought they could sustain with the pension. We are all aware that prices and inflation have weakened the dollar and some do not have a cost-of-living adjustment on the pension. The extra money they earned from social security could allow them the dignity they have earned. The years on the job often give retired police officers physical issues such as a bad back, but the mental horrors are just now being discussed in society. When you add on the financial strain this causes, many are left feeling hopeless.

Compare that with other occupations that have a 401K. Many people change companies or even careers over a lifetime and the 401K that they have travels with them with no penalty. Companies may have contributed to this fund and that money is never penalized. To be clear we are not advocating for that but pointing out the differences that public servants are not treated fairly. Compare again that the wage base limit for 2022 was \$147K and for 2023 was adjusted to \$160,200. So instead of raising this we are putting this burden on those that have served the communities at a wage that is often far below the private sector. Our members are only asking for what they have earned, and they have served the communities often suffering far more than is ever known.

We could use many examples and stories but for time constraints and not wishing to expose publicly names, I will use examples. However, these are real situations and people in Indiana. Example one. A police officer in a small northern Indiana town should draw \$1514 dollars a month but brings home \$956.

Example two is a mid- size city in southern Indiana. He was injured while on duty and had to go out on a disability. He had an entire other career other than law enforcement. He should earn over \$2300 a month but now draws around \$1800 a month. He did not plan on the disability and now is struggling with physical and financial issues.

Example 3 A retired Officer from IMPD and like most worked a 2nd job. He has earned \$1800 a month but only draws \$900. Over \$10,800 a year he is penalized. For a person that spent his entire life serving, this is a disgrace and we can do better

I mentioned earlier that everyone believes this is wrong and I would like to offer evidence that last year we had 305 co- sponsors in the House of Representatives to fix this issue. Getting over 300 people to agree on anything in Washington can almost be classified as a miracle. Senator we urge you to take up this legislation and help fix this travesty. Thank you for your time.