

Examples of the Harm Caused by the Government Pension Offset (GPO)

When you consider together the life-long low wages, the taxing of retirement benefits and the cuts to Social Security survivor benefits, the devastation to retired Ohio public retirees is clear.

Take, for example, Barbara Ward, who is 70 years old. For 40 years, she has driven special needs students in her school bus at Fairland Local Schools in Proctorville, Ohio. The only time Barb ever missed work was to bury her father and then her husband and to recover from breast cancer. Barb makes \$22,000 per year. Her taxable retirement benefit will be about \$2,000 per month. She should also receive a Social Security survivor benefit of \$1,800. But because of the GPO, she will lose two-thirds, or \$1,340, of that. Barb's husband, Ron, paid into Social Security for decades. He died of a brain tumor less than a year after he retired and received only a few Social Security checks. But Ron thought he had left Barb with a benefit that would allow her to live with dignity in her retirement. Barb wants to retire, but if her survivor benefit is slashed to \$460 per month, she will be forced to remain at the wheel of her school bus. Barb shouldn't be penalized because of her decades of work in our public schools.

Sheila Dawkins-Flinn is a library technician at Akron City Schools, where she has worked for 43 years. Sheila, 72, makes about \$27,500 annually to help Akron students learn to read and develop a life-long love of books. Because her husband is deceased, Sheila receives a Social Security survivor benefit of \$1,300 per month. If she retired today, she would receive a taxable SERS benefit of about \$2,345. She would like to retire and collect that SERS pension, but when she does, her Social Security survivor benefit will be cut by two-thirds of her public pension amount, or \$1,571. That means Sheila will receive NO Social Security survivor benefit. The minute she retires, she loses \$1,300 per month. Sheila still has a mortgage, car payment, utilities and food costs. She will not be able to meet her financial obligations and will have to leave her home. So, Sheila keeps working.

Beverly Payne joined Crestline Schools 35 years ago and has worked many jobs there, including her current positions of pre-school secretary and transportation secretary. At 75, Bev would really like to retire. But because of the GPO, her \$1,535 Social Security survivor benefit will be cut by two-thirds of her SERS pension -- \$1,921 before taxes. Two-thirds of that is \$1,267, leaving Bev with a Social Security survivor benefit of \$248. Bev recently survived a house fire --to her home which was paid off -- and is still paying the costs not covered by insurance. Bev's husband worked hard for decades in construction and thought he had left Bev

financially sound. But now she is considering selling her home and moving in with one of her children. That's not how she thought her retirement would play out.

Lois Carson didn't know her husband would become gravely ill and die at 50 years old. But the 33-year secretary at Columbus City Schools was comforted by the understanding that Vincente Carson had done all he could to provide for his family before he passed. After all, he worked for the City of Columbus for 26 years and always worked a second job and paid into Social Security to make sure he got that benefit, too. Unfortunately, he was wrong. When Vincente became ill, he used all his sick leave and short- and long-term disability. Because he could never return to work, he received a disability retirement benefit of \$759 per month. And since his death in 2008, Lois has received a survivor benefit from his public pension. But because of the GPO, she did not receive a survivor benefit from Social Security – even though Vincente paid into the system since he was 15 years old. At 61, Lois helps financially support her daughter, who has Multiple Sclerosis, and her grandson. The Social Security benefits Vincente earned would go a long way to giving Lois comfort that she could afford to retire and continue that assistance. For now, she keeps working – and worrying about long-term finances.

Carol Harper retired because she had no choice. After 39.5 years of working as a cook at Rock Hill Local School and standing all day on hard concrete floors and lifting heavy boxes of food, Carol's back just couldn't take it anymore. But even at 73 years old, Carol did not want to retire – because she will lose her deceased husband's Social Security survivor benefit as soon as the paperwork goes through. Since Orland Harper died, Carol has received a \$1,200 monthly check from Social Security. She will lose all of that in August when her retirement begins. Carol's monthly pension benefit will be \$1,931 before taxes and insurance -- about \$400 -- are deducted, and she just doesn't know how she is going to make it. Carol's grandchildren live with her, and the loss of \$1,200 per month is really going to hurt. She just doesn't think it is fair to have people suffering in poverty after four decades of working so hard to feed hungry children at school.

Fully repealing the GPO advances the principle of equity and ensures that for public pensioners, like Barb, Sheila, Bev, Lois and Carol, Social Security is a shield against poverty in old age.