

Leonard Blanchette  
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Testimony in Support of LD 341

May 05, 2021

TESTIMONY BEFORE THE JOINT COMMITTEE ON LABOR AND HOUSING  
RE: LD 341 AN ACT TO ADDRESS THE WINDFALL ELIMINATION PROVISION

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Good Afternoon Senator Hickman and Representative Sylvester, and Members of the Committee on Labor and Housing.

My name is Leonard Blanchette, I reside in Winthrop, Maine. I offer this testimony in support of LD 341 - AN ACT TO ADDRESS THE WINDFALL ELIMINATION PROVISION

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Last week there were hearings dealing with bills proposing reducing the taxable portion of one's civil service pension as it applies to the Maine income tax. And LD 1145, in contrast, proposed a total exemption of the State income tax on Maine public employee's retirement system pensions. But this bill, in my view, is to try to offset the reduction imposed by Social Security on public employees' social security pension. A reduction known as the Windfall Elimination Provision. Its counter-part, the Government Pension Offset, affects to the same degree, any survivor benefits one receives from social security.

Because the State of Maine signed on to the federal Social Security Windfall Elimination Provision and Government Pension Offset, my wife, a retired 33-year state employee, has lost 2/3rds of her social security pension benefit that she has rightfully earned by working second jobs during and after her state employment; and, if I pass before her, will lose 2/3rds of her survivor's benefit.

I am in full support of this bill, and have been trying for several years now to have our Congressional representatives act on S. 915 and H.R. 1205; both of which propose federal elimination of the WEP and GPO. But with only thirteen (13) states involved, it does not look promising.

In a public hearing several years ago, it was noted that 40% of state retirees participate in Maine's welfare program. A key reason being the Windfall Elimination Provision. Their state pension is simply not enough to get by. Even with the current exemption, 58% of my wife's state pension is taxed under Maine's income tax. Most of Maine's public employees were and are lower level earners with a pension around \$20,000 to \$25,000 annual gross. Not much of a "Windfall" is it?

Please do the right thing to help offset the financial harm caused my wife and all other retired public employees as a result of Maine signing on to the federal Social Security Windfall Elimination Provision and Government Pension Offset program.

I urge the committee to vote an Ought to Pass for LD 341. Thank you.