



FROM THE DESK OF

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Railroad Retirement Spouse and Widow(er)s' Annuities and Public Service Pensions

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DISCLAIMER:

The Social Security Fairness Act (SSFA), concerning the Windfall Elimination Program and Government Pension Offset, was signed into law on January 5, 2025. Upon implementation, the SSFA eliminates the reduction applied to the tier I portion of railroad retirement annuities and social security benefits for those entitled to public pensions from work not covered by railroad retirement or social security. The Railroad Retirement Board is currently evaluating how to implement the SSFA. Monitor [RRB.gov/SSFAActFAQ](https://www.RRB.gov/SSFAActFAQ) for information on progress related to implementation.

The following Q&A is from the historical policy and does not reflect provisions of the SSFA.

Unless certain exemption requirements are met, Railroad Retirement Act spouse and widow(er)s' annuities (including divorced spouse, surviving divorced spouse, and remarried widow(er)s' annuities) must be reduced when a spouse or widow(er) is also entitled to a public service pension. Such dual entitlement, if not reported to the Railroad Retirement Board (RRB), can result in benefit overpayments which have to be repaid, sometimes with interest and penalties.

The following questions and answers describe how the RRB adjusts the benefit payments of spouse and widow(er) annuitants who are entitled to public service pensions.

1. What is considered a public service pension for social security or railroad retirement purposes?

A public service pension is any periodic benefit payment, as well as a lump-sum payment made in lieu of periodic payments, based on an individual's employment with a Federal, State, or local government unit. Some examples include pensions paid on the basis of age or disability to teachers, police officers, and civil service personnel. Full salary benefits paid to a judge who has retired or resigned under the Federal judiciary retirement system are also considered public service pensions.

Most military service pensions and payments from the Department of Veterans Affairs will **not** cause a reduction. A pension paid by a foreign government or an interstate instrumentality also has no effect on a spouse or widow(er)'s annuity.

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2. How is the public service pension reduction applied to railroad retirement spouse or widow(er)s' annuities?

Under current law, the tier I portion of the annuity is reduced by an amount equal to 2/3 of the amount of the public service pension. The amount of the public service pension is the current gross amount, before any deductions for income tax withholding, Medicare premiums, health insurance or other benefits.

3. What is the background of the public service pension reduction applied to spouse and widow(er)s' annuities?

The public service pension reduction applied to social security and railroad retirement spouse and widow(er)s' benefits was created by social security legislation which also applied to the tier I benefits of railroad retirement spouses and widow(er)s. The tier I portion of a railroad retirement annuity is based on railroad retirement credits and any social security credits the railroad employee has acquired. It is computed under social security formulas and approximates what social security would pay if railroad work were also covered by that system. Tier I benefits are, therefore, reduced in the same manner as social security benefits when certain other benefits are also payable.

4. Are there any exemptions for railroad retirement spouse or widow(er) annuitants from the public service pension offsets?

Generally, Federal, State and local government workers must be covered by social security throughout their last 60 months of employment with the pension-paying governmental entity or be receiving a public service pension that is **not** based on their own earnings to be exempt from a public service pension reduction.

5. Where can more information on how these pension offsets affect railroad retirement benefits be obtained?

More information is available by going to the RRB's website, **RRB.gov**, clicking on **FAQ**, and then selecting **Public Service Pensions**, or by calling an RRB office toll-free at 1-877-772-5772. RRB field offices also offer in-person service. While persons seeking in-office assistance are encouraged to schedule an appointment with their local field office by calling the agency's toll-free number, those without appointments will not be refused service. However, they may be asked to schedule an appointment for a later time if there is no immediate availability. Individuals should bring a photo ID when visiting a field office. Office addresses and hours of operation can be found by clicking on **Field Office Locator**, selecting an office from the drop-down menu, and then clicking on **Get Info**, or by calling 1-877-772-5772. Individuals can also **send a secure message** to their local RRB field office by accessing Field Office Locator and clicking on the link at the bottom of their local office's page.