

Social Security Protection Act of 2004

The Social Security Protection Act of 2004 requires state and local government employers like CSU, who do not participate in the Social Security program, to disclose the effect of the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO) to employees hired on or after January 1, 2005. Under the provisions of the GPO and the WEP, Social Security benefit calculations are based on a modified formula when a worker is entitled to a pension from a job where the worker did not pay Social Security tax. As a result, these workers may receive a lower Social Security benefit than if they were not entitled to the public pension. Starting in CY 2005, new employees who are required to be covered by a retirement plan (PERA, DCP or SERP) must be advised of the potential reduction of future Social Security benefits.

Form SSA-1945, Statement Concerning Your Employment in a Job Not Covered by Social Security, is the document that must be used to meet the requirements of the law. The SSA-1945 explains the potential effects of two provisions in the Social Security law (GPO and WEP). This form is available online at the Social Security website, www.socialsecurity.gov/form1945.

For employees hired on or after January 1, 2005, departments are required to:

- Give the required notice (Form SSA-1945) to an employee required to participate in a retirement plan prior to the start of employment. This includes:
 - Academic Faculty
 - Administrative Professionals
 - State Classified regular and hourly employees
 - Post Doctoral Fellows
 - Clinical Psychology Interns and Veterinary Interns
 - Non-Student Hourly employees
 - Certain student employees not qualified for exemption from retirement plan participation (Student Employment will notify affected employees and their respective departments to secure the required form)
- Have these new employees sign the notice attesting to the fact that they are aware of a possible reduction in their future Social Security benefit entitlement. When completing Form SSA-1945, use 84-6000545 for the Employer ID #, and the employee's social security number for the Employee ID #.
- Forward the original signed Form SSA-1945 to the Human Resources Record's Unit (or to Student Employment in the case of a student employee) along with other required new hire forms (i.e., Creative Works Policy, Form I-9, W-4). As per the provisions of the law, Human Resources is required to maintain the Form SSA-1945 and to forward a copy to the appropriate retirement plan provider.

Should you have any questions about this new procedure, please contact Greg Suniga, Records Manager, at 491-0951. Additional information about the GPO and WEP is available on the Social Security website, www.socialsecurity.gov/gpo-wep/, or by contacting Teri Suhr, Benefits Manager, at 491-4975.

Distributed to campus staff on January 3, 2005 by Carol Shirey, Director of Human Resources