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## New Law Requires Employers to Provide Statements To New Employees Not Covered by Social Security

The Social Security Protection Act of 2004 requires state and local government employers to provide a statement to employees hired on or after January 1, 2005, whose jobs are *not* covered by Social Security. This statement explains how a pension provided by the employer could affect their future Social Security benefits. For purposes of these rules, the “pension” may be provided under a qualified defined benefit plan, a qualified defined contribution plan, a 403(b) program, or a governmental section 457(b) plan.

To help employers comply with this requirement, the Social Security Administration (SSA) has developed [Form SSA-1945, Statement Concerning Your Employment in a Job Not Covered by Social Security](#), which discusses both the Windfall Elimination Provision and the Government Pension Offset Provision.

Beginning January 1, 2005, employers must:

- Give this statement to an employee before he or she is hired;
- Get the employee’s signature on the statement; and
- Send a copy of the signed statement to the “pension-paying agency.”

It is important to note that employers do not need to provide copies of these signed statements to Prudential Retirement, even if we are making the benefit payments for the plan. However, the signed statements do need to be provided to the governmental office or department that is responsible for administering the plan.

The SSA has also developed Fact Sheets providing detailed information about both the [Windfall Elimination Provision](#) and the [Government Pension Offset](#), which employers may want to provide or make available to new employees.

If you have questions about these new requirements, including their impact on the administration of your qualified pension plan, 403(b) program, or section 457(b) plan, please contact your Prudential Retirement representative.

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