

Pension System

- A. **The NJSBA believes** that the pension system should be continuously monitored by the State to ensure that it is providing a cost-effective, affordable, and fiscally-sound approach to employees' retirement benefits that contains costs and provides reliable pension benefits to retired school employees at an affordable and predictable cost to the state. *[Authority: DA 12/90-6, DA 12/90-7, DA 6/92-CR (Pension), DA 11/96 SR]*
- B. **The NJSBA believes** in a comprehensive approach to improving the pension system and opposes piecemeal amendments to pension statutes. Benefits should only be improved after a source for funding those improvements is clearly identified as part of legislation. *[Authority: DA 12/84-CR (Pension), DA 6/92-CR (Pension), DA 11/96 SR]*
- C. **The NJSBA believes** that the state's public employee retirement system should not be "raided" if such action would threaten the plans' ability to fund their obligations. *[Authority: DA 6/92-CR (Pension), DA 11/96 SR, DA 5/02-SR, DA 11/06-SR, DA 11/11-SR]*
- D. **The NJSBA believes** it should oppose any measure to transfer the obligation to fund the pension system from the state to local districts. *[Authority: DA 5/16-6, DA 12/16-SR, DA 11/21-SR]*

State Budgeting of Pension Costs

The NJSBA believes that the budgetary item reflecting funding of the Teachers Pension and Annuity Fund (TPAF), Premium for Non-Contributory Insurance, Social Security and Pension Adjustment Act should be cited as a separate and distinct program within the State budget, in order to accurately show actual state aid to fund local education and direct TPAF pension costs. *[Authority: DA 12/84-CR (Pension), DA 6/91-CR (QEA), DA 6/92-CR (Pension), DA 11/96-SR, DA 5/02-SR, DA 11/06-SR, DA 11/11-SR, DA 12/16-SR, DA 11/21-SR]*

TPAF and Social Security Contributions

- A. **The NJSBA believes** that local districts should not have to pay for the pension, social security and other benefits of those TPAF members whose salaries are funded in whole or in part by federal program monies. *[Authority: DA 5/70-14, DA 8/92 SR, DA 11/96 SR]*
- B. **The NJSBA believes** that the state should pay the full employer's contribution to TPAF and Social Security. *[Authority: DA 12/84-CR (Pension), DA 6/91-CR (QEA), DA 6/92-CR (Pension), DA 11/96-SR, DA 5/02-SR, DA 11/06-SR, DA 11/11-SR, DA 12/16-SR, DA 11/21-SR]*

Employer Representatives on TPAF and PERS Boards of Trustees

The NJSBA believes that there should be employer representatives on the board of trustees of the Public Employee Retirement System and the Teachers' Pension and Annuity Fund. Local districts should have at least one representative on the TPAF Board of Trustees. *[Authority: DA 12/90-6, DA 12/90-7 DA 6/92-CR (Pension), DA 11/96 SR, DA 5/02-SR, DA 11/06-SR, DA 11/11-SR, DA 12/16-SR, DA 11/21-SR]*

Employment of Retirees

- A. **The NJSBA believes** that districts should have the flexibility to secure qualified staff for vacancies,

including the hiring of retirees. Districts should incur no additional costs associated with the retirees' pensions and benefits. The hiring of retirees should be permitted particularly when attempting to fill positions of critical need. *[Authority: BD 3/99]*

- B. **The NJSBA believes** that a one-year time period is sufficient to insure opportunities to find non-retired qualified candidates without obligating a district to pay pension and benefit costs of retirees currently filling those vacancies. *[Authority: BD 3/99]*
- C. **The NJSBA believes** retirees under a New Jersey pension program should be permitted to be employed by a New Jersey Public employer up to the maximum earnings allowed under Social Security, without penalty. *[Authority: DA 6/79-28, DA 6/93-SR, DA 5/02-SR, DA 11/06-SR, DA 11/11-SR, DA 12/16-SR, DA 11/21-SR]*

Early Retirement Remuneration Plan

The NJSBA believes local school districts should be permitted to provide an Early Retirement Remuneration Plan (ERR), which would be paid as extra compensation and not contractual salary to the teaching employees. *[Authority: DA 6/87-2, DA 11/96-SR, DA 5/02-SR, DA 11/06-SR, DA 11/11-SR, DA 12/16-SR, DA 11/21-SR]*

Cross References: 3290 Funds management/investing
 4111 Recruitment, selection and hiring
 4140 Compensation and related benefits
 4144 Insurance/worker's compensation

Key Words: pension, social security, TPAF, PERS, retirees