



# PENSION JUSTICE!

## EQUITY-SECURITY-DIGNITY

### Facts you need to know about

# NJ's Pension System

**Over the last decade and a half, the economic standing of New Jersey public employee pensions has changed dramatically.**

The tiering of the pension system has made it so that tens of thousands of members earn a much lower pension or no pension, making a secure retirement out of reach.

- The number of years needed for post-retirement medical benefits do not vary by tier. For all K-12 pension system members, 25 eligible years of service is the requirement to qualify for post-retirement medical benefits.
- The minimum number of years Tier 5 members need to retire if under age 65 is 30 years. However, someone who starts working at age 25 and wants to retire after 30 years of service will take a 30% reduction in their pension compared to a Tier 1 member.
- Tier 5 members must work until age 65 to collect their full retirement, 10 years longer than Tier 1 members.
- You can find out what tier you are in and how much you have contributed to your pension by looking at your personal benefits statement in your MBOS account.
- If you change job types (i.e., aide to teacher) or if you change districts, even if you are doing the same type of job, your pension account doesn't automatically transfer. You must ensure your district filed the appropriate paperwork and that your MBOS account reflects the transfer.
- K-12 members hired on or after May 21, 2010 who work less than 32 hours a week do not have a pension. They have a retirement savings account. Years in the DCRP do not count toward the 25 years needed for post-retirement medical benefits. Think about the

positions in your school district and which ones typically are under 32 hours/week. They are mostly support staff positions — many aides, cafeteria workers and bus drivers are not 32 hours/week. This means large swaths of those workers do not have a pension and will not qualify for post-retirement medical benefits.

### Sign up to be a Pension Justice Activist

Use the QR Code to sign up today!



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