

# ASSEMBLY STATE GOVERNMENT COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 2541**

## **STATE OF NEW JERSEY**

DATED: JUNE 12, 1997

The Assembly State Government Committee reports favorably Assembly, No. 2541.

This bill permits certain members of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) to purchase TPAF or PERS credit for service as a "Title I" remedial or supplemental teacher rendered prior to the decision by the Appellate Division of Superior Court (Gladden v. Pub. Emp. Retirem. Sys. Trustee Bd., 171 N.J.Super. 363 (App.Div.1979)) that it was not necessary for a public employee to be paid in each of four calendar quarters to qualify for membership in the retirement system.

The bill applies to any TPAF or PERS member who (1) prior to December 12, 1979 held a valid New Jersey teaching certificate and was employed as a remedial or supplemental instructor in a position funded in whole or in part from federal funds under Title I of the Elementary and Secondary Education Act of 1965, 20 U.S.C.A. §236 et seq., but (2) was not enrolled in the retirement system prior to that date. The bill provides that such a member could purchase TPAF or PERS credit for the pre-December 12, 1979 service as a remedial or supplemental instructor. The amount of credit eligible for the purchase with respect to the person's service in such position during a calendar period in any school year would be the same as the amount of credit that would be allowed if the person were employed in the position during an identical calendar period in the school year in which application for the purchase is made.

The bill provides that the member must apply to make the purchase not later than 180 days following the date on which the bill takes effect as law. The terms of the purchase would be the same as those applicable to the purchase of previous membership service (i.e., the member must purchase all of the service rendered as a Title I teacher, but is liable only for the "employee's share" of the cost of that service).

At its meeting on December 13, 1996, the Pension and Health Benefits Review Commission recommended that the Legislature enact this legislation "because it provides a remedy for pre-1979 service that was established prospectively in a court decision in 1979."