

# SENATE, No. 2411

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MAY 9, 2022

**Sponsored by:**  
**Senator VIN GOPAL**  
**District 11 (Monmouth)**

### **SYNOPSIS**

Requires certain boards of education to select minimum of three financial institutions or pension management organizations to provide tax sheltered annuity plans.

### **CURRENT VERSION OF TEXT**

As introduced.



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1 AN ACT concerning retirement plan options for school district  
2 employees and supplementing chapter 66 of Title 18A of the  
3 New Jersey Statutes.

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5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

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8 1. a. A board of education of a school district with a student  
9 enrollment of at least 1,000 students that offers a 403(b) plan to  
10 school district employees pursuant to section 403(b) of the federal  
11 Internal Revenue Code (26 U.S.C. s. 403(b)) shall select a minimum  
12 of three financial institutions or pension management organizations  
13 to provide services to the 403(b) plan. If fewer than three such  
14 financial institutions or pension management organizations are  
15 determined to be available, then the board of education shall select  
16 the number of available providers able to meet the requirements of  
17 this section.

18 b. A financial institution or pension management organization  
19 that provides services to a board of education under subsection a. of  
20 this section shall:

21 (1) enter into an agreement with the board of education that  
22 shall require the financial institution or pension management  
23 organization to provide in an electronic format all data necessary  
24 for the administration of the 403(b) plan as determined by the board  
25 of education; and

26 (2) provide all data required by the board of education to  
27 facilitate disclosure of all fees, charges, expenses, commissions,  
28 compensation, and payments to third parties related to investments  
29 offered under the 403(b) plan.

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31 2. This act shall take effect immediately.

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STATEMENT

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36 This bill requires a board of education of a school district with a  
37 student enrollment of at least 1,000 students that offers a 403(b)  
38 plan to school district employees to select a minimum of three  
39 financial institutions or pension management organizations to  
40 provide services to the 403(b) plan. If fewer than three such  
41 financial institutions or pension management organizations are  
42 available, the board of education must select the number of  
43 financial institutions or pension management organizations  
44 available to meet the requirements of the bill.

45 A financial institution or pension management organization that  
46 provides services to the 403(b) plan under the bill must: (1) enter  
47 into an agreement with the board of education that requires the  
48 financial institution or pension management organization to provide

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1 in an electronic format all data necessary for the administration of  
2 the 403(b) plan as determined by the board of education; and (2)  
3 provide all data required by the board of education to facilitate  
4 disclosure of all fees, charges, expenses, commissions,  
5 compensation, and payments to third parties related to investments  
6 offered under the 403(b) plan.