

ASSEMBLY, No. 3323

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblyman ERIK K. SIMONSEN

District 1 (Atlantic, Cape May and Cumberland)

Co-Sponsored by:

Assemblywomen Bagolie, Drulis, Morales, McCoy, Assemblyman Karabinchak, Assemblywoman Lopez, Assemblyman Stanley, Assemblywoman Murphy, Assemblymen Freiman, Miller, Assemblywomen Speight and Park

SYNOPSIS

Requires pay for extracurricular activities to be included in compensation for TPAF purposes.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 6/28/2024)

1 AN ACT concerning compensation for purposes of the Teachers'
2 Pension and Annuity Fund and amending N.J.S.18A:66-2.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. N.J.S.18A:66-2 is amended to read as follows:
8 18A:66-2. As used in this article:

9 a. "Accumulated deductions" means the sum of all the
10 amounts, deducted from the compensation of a member or
11 contributed by or in behalf of the member, including interest
12 credited to January 1, 1956, standing to the credit of the member's
13 individual account in the annuity savings fund.

14 b. "Annuity" means payments for life derived from the
15 accumulated deductions of a member as provided in this article.

16 c. "Beneficiary" means any person receiving a retirement
17 allowance or other benefit as provided in this article.

18 d. (1) "Compensation" means the contractual salary, for
19 services as a teacher as defined in this article, which is in
20 accordance with established salary policies of the member's
21 employer for all employees in the same position, and, commencing
22 on the effective date of P.L. , c. (pending before the Legislature
23 as this bill), shall include additional remuneration for performing
24 extracurricular duties beyond the regular school day or the regular
25 school year, but shall not include individual salary adjustments
26 which are granted primarily in anticipation of the member's
27 retirement or additional remuneration for performing temporary [or
28 extracurricular] duties beyond the regular school day or the regular
29 school year. Extracurricular duties shall include, but are not limited
30 to, preparation for and involvement in public performances,
31 contests, athletic competitions, demonstrations, displays, and club
32 activities.

33 (2) In the case of a person who becomes a member of the
34 retirement system on or after July 1, 2007, "compensation" means
35 the amount of the contractual salary equivalent to the annual
36 maximum wage contribution base for Social Security, pursuant to
37 the Federal Insurance Contributions Act, for services as a teacher as
38 defined in this article, which is in accordance with established
39 salary policies of the member's employer for all employees in the
40 same position, and, commencing on the effective date of P.L. , c.
41 (pending before the Legislature as this bill), shall include additional
42 remuneration for performing extracurricular duties beyond the
43 regular school day or the regular school year, but shall not include
44 individual salary adjustments which are granted primarily in
45 anticipation of the member's retirement or additional remuneration

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 for performing temporary **【or extracurricular】** duties beyond the
2 regular school day or the regular school year. Extracurricular
3 duties shall include, but are not limited to, preparation for and
4 involvement in public performances, contests, athletic competitions,
5 demonstrations, displays, and club activities.

6 This paragraph shall not apply to a person who at the time of
7 enrollment in the retirement system on or after July 1, 2007
8 transfers service credit from another State-administered retirement
9 system pursuant to N.J.S.18A:66-15.1, but shall apply to a former
10 member of the retirement system who has been granted a retirement
11 allowance and is reenrolled in the retirement system on or after July
12 1, 2007 pursuant to N.J.S.18A:66-53.2 after becoming employed
13 again in a position that makes the person eligible to be a member of
14 the retirement system.

15 For the period of July 1, 2009 through June 30, 2011,
16 "contractual salary" for State employees shall include wage
17 increases under a collective negotiations agreement notwithstanding
18 that, by amendment to that collective negotiations agreement, the
19 effective date of the contractual increase has been deferred. For the
20 purpose of this paragraph, "State employee" means an employee in
21 the Executive Branch of State government of New Jersey.

22 e. "Employer" means the State, the board of education or any
23 educational institution or agency of or within the State by which a
24 teacher is paid.

25 f. (1) "Final compensation" means the average annual
26 compensation for which contributions are made for the three years
27 of creditable service in New Jersey immediately preceding the
28 member's retirement or death, or it shall mean the average annual
29 compensation for New Jersey service for which contributions are
30 made during any three fiscal years of his or her membership
31 providing the largest possible benefit to the member or the
32 member's beneficiary.

33 (2) In the case of a person who becomes a member of the
34 retirement system on or after the effective date of P.L.2010, c.1,
35 "final compensation" means the average annual compensation for
36 which contributions are made for the five years of creditable service
37 in New Jersey immediately preceding the member's retirement or
38 death, or it shall mean the average annual compensation for New
39 Jersey service for which contributions are made during any five
40 fiscal years of his or her membership providing the largest possible
41 benefit to the member or the member's beneficiary.

42 g. "Fiscal year" means any year commencing with July 1, and
43 ending with June 30, next following.

44 h. "Pension" means payments for life derived from
45 appropriations made by the State or employers to the Teachers'
46 Pension and Annuity Fund.

47 i. "Annuity reserve" means the present value of all payments
48 to be made on account of any annuity or benefit in lieu of an

- 1 annuity, granted under the provisions of this article, computed on
- 2 the basis of such mortality tables recommended by the actuary as
- 3 the board of trustees adopts, with regular interest.
- 4 j. "Pension reserve" means the present value of all payments to
- 5 be made on account of any pension or benefit in lieu of a pension
- 6 granted to a member from the Teachers' Pension and Annuity Fund,
- 7 computed on the basis of such mortality tables recommended by the
- 8 actuary as the board of trustees adopts, with regular interest.
- 9 k. "Present-entrant" means any member of the Teachers'
- 10 Pension and Annuity Fund who had established status as a "present-
- 11 entrant member" of said fund prior to January 1, 1956.
- 12 l. "Rate of contribution initially certified" means the rate of
- 13 contribution certified by the retirement system in accordance with
- 14 N.J.S.18A:66-29.
- 15 m. "Regular interest" shall mean interest as determined by the
- 16 State Treasurer, after consultation with the Directors of the
- 17 Divisions of Investment and Pensions, the board of trustees and the
- 18 actuary. It shall bear a reasonable relationship to the percentage
- 19 rate of earnings on investments based on the market value of assets
- 20 but shall not exceed the assumed percentage rate of increase applied
- 21 to salaries plus 3%, provided however that the board of trustees
- 22 shall not set the average percentage rate of increase applied to
- 23 salaries below 6%.
- 24 n. "Retirement allowance" means the pension plus the annuity.
- 25 o. "School service" means any service as a "teacher" as defined
- 26 in this section.
- 27 p. "Teacher" means any regular teacher, special teacher,
- 28 helping teacher, teacher clerk, principal, vice-principal, supervisor,
- 29 supervising principal, director, superintendent, city superintendent,
- 30 assistant city superintendent, county superintendent, State
- 31 Commissioner or Assistant Commissioner of Education, members
- 32 of the State Department of Education who are certificated,
- 33 unclassified professional staff and other members of the teaching or
- 34 professional staff of any class, public school, renaissance school
- 35 project established pursuant to P.L.2011, c.176 (C.18A:36C-
- 36 1 et seq.) upon commencement of employment, high school, normal
- 37 school, model school, training school, vocational school, truant
- 38 reformatory school, or parental school, and of any and all classes or
- 39 schools within the State conducted under the order and
- 40 superintendence, and wholly or partly at the expense of the State
- 41 Board of Education, of a duly elected or appointed board of
- 42 education, board of school directors, or board of trustees of the
- 43 State or of any school district or normal school district thereof, and
- 44 any persons under contract or engagement to perform one or more
- 45 of these functions. It shall also mean any person who serves, while
- 46 on an approved leave of absence from regular duties as a teacher, as
- 47 an officer of a local, county or State labor organization which
- 48 represents, or is affiliated with an organization which represents,

1 teachers as defined in this subsection. No person shall be deemed a
2 teacher within the meaning of this article who is a substitute
3 teacher. In all cases of doubt the board of trustees shall determine
4 whether any person is a teacher as defined in this article.

5 q. "Teachers' Pension and Annuity Fund," hereinafter referred
6 to as the "retirement system" or "system," is the corporate name of
7 the arrangement for the payment of retirement allowances and other
8 benefits under the provisions of this article, including the several
9 funds placed under said system. By that name all its business shall
10 be transacted, its funds invested, warrants for money drawn, and
11 payments made and all of its cash and securities and other property
12 held.

13 r. "Veteran" means any honorably discharged officer, soldier,
14 sailor, airman, marine or nurse who served in any Army, Air Force
15 or Navy of the Allies of the United States in World War I between
16 July 14, 1914, and November 11, 1918, or who served in any Army,
17 Air Force or Navy of the Allies of the United States in World War
18 II, between September 1, 1939, and September 2, 1945, and who
19 was inducted into such service through voluntary enlistment, and
20 was a citizen of the United States at the time of such enlistment, and
21 who did not, during or by reason of such service, renounce or lose
22 United States citizenship, and any officer, soldier, sailor, marine,
23 airman, nurse or army field clerk who has served in the active
24 military or naval service of the United States and has or shall be
25 discharged or released therefrom under conditions other than
26 dishonorable, in any of the following wars, uprisings, insurrections,
27 expeditions or emergencies, and who has presented to the retirement
28 system evidence of such record of service in form and content
29 satisfactory to said retirement system:

30 (1) The Indian wars and uprisings during any of the periods
31 recognized by the War Department of the United States as periods
32 of active hostility;

33 (2) The Spanish-American War between April 20, 1898, and
34 April 11, 1899;

35 (3) The Philippine insurrections and expeditions during the
36 periods recognized by the War Department of the United States as
37 of active hostility from February 4, 1899, to the end of 1913;

38 (4) The Peking relief expedition between June 20, 1900, and
39 May 27, 1902;

40 (5) The army of Cuban occupation between July 18, 1898, and
41 May 20, 1902;

42 (6) The army of Cuban pacification between October 6, 1906,
43 and April 1, 1909;

44 (7) The Mexican punitive expedition between March 14, 1916,
45 and February 7, 1917;

46 (8) The Mexican border patrol, having actually participated in
47 engagements against Mexicans between April 12, 1911, and June
48 16, 1919;

1 (9) World War I, between April 6, 1917, and November 11,
2 1918;

3 (10) World War II, between September 16, 1940, and December
4 31, 1946, who shall have served at least 90 days in such active
5 service, exclusive of any period of assignment (1) for a course of
6 education or training under the Army Specialized Training Program
7 or the Navy College Training Program, which course was a
8 continuation of a civilian course and was pursued to completion, or
9 (2) as a cadet or midshipman at one of the service academies, any
10 part of which 90 days was served between said dates; provided that
11 any person receiving an actual service-incurred injury or disability
12 shall be classed as a veteran, whether or not that person has
13 completed the 90-day service as herein provided;

14 (11) Korean conflict on or after June 23, 1950, and on or prior to
15 January 31, 1955, who shall have served at least 90 days in such
16 active service, exclusive of any period of assignment (1) for a
17 course of education or training under the Army Specialized
18 Training Program or the Navy College Training Program, which
19 course was a continuation of a civilian course and was pursued to
20 completion, or (2) as a cadet or midshipman at one of the service
21 academies, any part of which 90 days was served between said
22 dates; provided that any person receiving an actual service-incurred
23 injury or disability shall be classed as a veteran, whether or not that
24 person has completed the 90-day service as herein provided; and
25 provided further that any member classed as a veteran pursuant to
26 this subsection prior to August 1, 1966, shall continue to be classed
27 as a veteran, whether or not that person completed the 90-day
28 service between said dates as herein provided;

29 (12) Lebanon crisis, on or after July 1, 1958, who has served in
30 Lebanon or on board any ship actively engaged in patrolling the
31 territorial waters of that nation for a period, continuous or in the
32 aggregate, of at least 14 days commencing on or before November
33 1, 1958 or the date of termination of that conflict, as proclaimed by
34 the President of the United States or Congress, whichever date of
35 termination is the latest, in such active service; provided, that any
36 person receiving an actual service-incurred injury or disability shall
37 be classed as a veteran whether or not that person has completed the
38 14 days' service as herein provided;

39 (13) Vietnam conflict, on or after December 31, 1960, and on or
40 prior to May 7, 1975, who shall have served at least 90 days in such
41 active service, exclusive of any period of assignment (1) for a
42 course of education or training under the Army Specialized
43 Training Program or the Navy College Training Program, which
44 course was a continuation of a civilian course and was pursued to
45 completion, or (2) as a cadet or midshipman at one of the service
46 academies, any part of which 90 days was served between said
47 dates; and exclusive of any service performed pursuant to the
48 provisions of section 511(d) of Title 10, United States Code,

1 pursuant to an enlistment in the Army National Guard or as a
2 reserve for service in the Army Reserve, Naval Reserve, Air Force
3 Reserve, Marine Corps Reserve, or Coast Guard Reserve; provided
4 that any person receiving an actual service-incurred injury or
5 disability shall be classed as a veteran, whether or not that person
6 has completed the 90-day service as herein provided;

7 (14) Lebanon peacekeeping mission, on or after September 26,
8 1982, who has served in Lebanon or on board any ship actively
9 engaged in patrolling the territorial waters of that nation for a
10 period, continuous or in the aggregate, of at least 14 days
11 commencing on or before December 1, 1987 or the date of
12 termination of that mission, as proclaimed by the President of the
13 United States or Congress, whichever date of termination is the
14 latest, in such active service; provided, that any person receiving an
15 actual service-incurred injury or disability shall be classed as a
16 veteran whether or not that person has completed the 14 days'
17 service as herein provided;

18 (15) Grenada peacekeeping mission, on or after October 23,
19 1983, who has served in Grenada or on board any ship actively
20 engaged in patrolling the territorial waters of that nation for a
21 period, continuous or in the aggregate, of at least 14 days
22 commencing on or before November 21, 1983 or the date of
23 termination of that mission, as proclaimed by the President of the
24 United States or Congress, whichever date of termination is the
25 latest, in such active service; provided, that any person receiving an
26 actual service-incurred injury or disability shall be classed as a
27 veteran whether or not that person has completed the 14 days'
28 service as herein provided;

29 (16) Panama peacekeeping mission, on or after December 20,
30 1989 or the date of inception of that mission, as proclaimed by the
31 President of the United States or Congress, whichever date of
32 inception is earliest, who has served in Panama or on board any ship
33 actively engaged in patrolling the territorial waters of that nation for
34 a period, continuous or in the aggregate, of at least 14 days
35 commencing on or before January 31, 1990 or the date of
36 termination of that mission, as proclaimed by the President of the
37 United States or Congress, whichever date of termination is the
38 latest, in such active service; provided, that any person receiving an
39 actual service-incurred injury or disability shall be classed as a
40 veteran whether or not that person has completed the 14 days'
41 service as herein provided;

42 (17) Operation "Desert Shield/Desert Storm" mission in the
43 Arabian peninsula and the Persian Gulf, on or after August 2, 1990
44 or the date of inception of that operation, as proclaimed by the
45 President of the United States or Congress, whichever date of
46 inception is earliest, who has served in the Arabian peninsula or on
47 board any ship actively engaged in patrolling the Persian Gulf for a
48 period, continuous or in the aggregate, of at least 14 days

1 commencing on or before the date of termination of that mission, as
2 proclaimed by the President of the United States or Congress,
3 whichever date of termination is the latest, in such active service;
4 provided, that any person receiving an actual service-incurred injury
5 or disability shall be classed as a veteran whether or not that person
6 has completed the 14 days' service as herein provided;

7 (18) Operation Northern Watch and Operation Southern Watch,
8 on or after August 27, 1992, or the date of inception of that
9 operation, as proclaimed by the President of the United States,
10 Congress or United States Secretary of Defense, whichever date of
11 inception is earliest, who served in the theater of operation,
12 including in the Arabian peninsula and the Persian Gulf, and in
13 direct support of that operation for a period, continuously or in the
14 aggregate, of at least 14 days in such active service, commencing on
15 or before the date of termination of the operation, as proclaimed by
16 the President of the United States, Congress or United States
17 Secretary of Defense, whichever date of termination is latest;
18 provided, that any person receiving an actual service-incurred injury
19 or disability while engaged in such service shall be classed as a
20 veteran whether or not that person has completed the 14 days'
21 service as herein provided;

22 (19) Operation "Restore Hope" in Somalia, on or after
23 December 5, 1992, or the date of inception of that operation as
24 proclaimed by the President of the United States or Congress,
25 whichever date is earliest, who has served in Somalia or on board
26 any ship actively engaged in patrolling the territorial waters of that
27 nation for a period, continuously or in the aggregate, of at least 14
28 days in such active service commencing on or before March 31,
29 1994; provided that any person receiving an actual service-incurred
30 injury or disability shall be classed as a veteran whether or not that
31 person has completed the 14-day service as herein provided;

32 (20) Operations "Joint Endeavor" and "Joint Guard" in the
33 Republic of Bosnia and Herzegovina, on or after November 20,
34 1995, who served in such active service in direct support of one or
35 both of the operations for at least 14 days, continuously or in the
36 aggregate, commencing on or before June 20, 1998, and (1) was
37 deployed in that nation or in another area in the region, or (2) was
38 on board a United States naval vessel operating in the Adriatic Sea,
39 or (3) operated in airspace above the Republic of Bosnia and
40 Herzegovina; provided that any person receiving an actual service-
41 incurred injury or disability shall be classed as a veteran whether or
42 not that person completed the 14-day service requirement;

43 (21) Operation "Enduring Freedom", on or after September 11,
44 2001, who served in a theater of operation and in direct support of
45 that operation for a period, continuously or in the aggregate, of at
46 least 14 days in such active service commencing on or before the
47 date the President of the United States or the United States
48 Secretary of Defense designates as the termination date of that

1 operation; provided, that any person receiving an actual service-
2 incurred injury or disability while engaged in such service shall be
3 classed as a veteran whether or not that person has completed the 14
4 days' service as herein provided; and

5 (22) Operation "Iraqi Freedom", on or after the date the
6 President of the United States or the United States Secretary of
7 Defense designates as the inception date of that operation, who
8 served in Iraq or in another area in the region in direct support of
9 that operation for a period, continuously or in the aggregate, of at
10 least 14 days in such active service commencing on or before the
11 date the President of the United States or the United States
12 Secretary of Defense designates as the termination date of that
13 operation; provided, that any person receiving an actual service-
14 incurred injury or disability while engaged in such service shall be
15 classed as a veteran whether or not that person has completed the 14
16 days' service as herein provided.

17 "Veteran" also means any honorably discharged member of the
18 American Merchant Marine who served during World War II and is
19 declared by the United States Department of Defense to be eligible
20 for federal veterans' benefits.

21 s. "Child" means a deceased member's unmarried child either
22 (a) under the age of 18 or (b) of any age who, at the time of the
23 member's death, is disabled because of mental retardation or
24 physical incapacity, is unable to do any substantial, gainful work
25 because of the impairment and the impairment has lasted or can be
26 expected to last for a continuous period of not less than 12 months,
27 as affirmed by the medical board.

28 t. (1) "Widower," for employees of the State, means the man to
29 whom a member was married, or a domestic partner as defined in
30 section 3 of P.L.2003, c.246 (C.26:8A-3), at least five years before
31 the date of her death and to whom she continued to be married or a
32 domestic partner until the date of her death and who was receiving
33 at least one-half of his support from the member in the 12-month
34 period immediately preceding the member's death or the accident
35 which was the direct cause of the member's death. The dependency
36 of such a widower will be considered terminated by marriage of, or
37 establishment of a domestic partnership by, the widower subsequent
38 to the death of the member. In the event of the payment of an
39 accidental death benefit, the five-year qualification shall be waived.

40 (2) Subject to the provisions of paragraph (3) of this subsection,
41 "widower," for employees of public employers other than the State,
42 means the man to whom a member was married at least five years
43 before the date of her death and to whom she continued to be
44 married until the date of her death and who was receiving at least
45 one-half of his support from the member in the 12-month period
46 immediately preceding the member's death or the accident which
47 was the direct cause of the member's death. The dependency of
48 such a widower shall be considered terminated by marriage of the

1 widower subsequent to the death of the member. In the event of the
2 payment of an accidental death benefit, the five-year qualification
3 shall be waived.

4 (3) A public employer other than the State may adopt a
5 resolution providing that the term "widower" as defined in
6 paragraph (2) of this subsection shall include domestic partners as
7 provided in paragraph (1) of this subsection.

8 u. (1) "Widow," for employees of the State, means the woman
9 to whom a member was married, or a domestic partner as defined in
10 section 3 of P.L.2003, c.246 (C.26:8A-3), at least five years before
11 the date of his death and to whom he continued to be married or a
12 domestic partner until the date of his death and who was receiving
13 at least one-half of her support from the member in the 12-month
14 period immediately preceding the member's death or the accident
15 which was the direct cause of the member's death. The dependency
16 of such a widow will be considered terminated by the marriage of,
17 or establishment of a domestic partnership by, the widow
18 subsequent to the member's death. In the event of the payment of an
19 accidental death benefit, the five-year qualification shall be waived.

20 (2) Subject to the provisions of paragraph (3) of this subsection,
21 "widow," for employees of public employers other than the State,
22 means the woman to whom a member was married at least five
23 years before the date of his death and to whom he continued to be
24 married until the date of his death and who was receiving at least
25 one-half of her support from the member in the 12-month period
26 immediately preceding the member's death or the accident which
27 was the direct cause of the member's death. The dependency of
28 such a widow shall be considered terminated by the marriage of the
29 widow subsequent to the member's death. In the event of the
30 payment of an accidental death benefit, the five-year qualification
31 shall be waived.

32 (3) A public employer other than the State may adopt a
33 resolution providing that the term "widower" as defined in
34 paragraph (2) of this subsection shall include domestic partners as
35 provided in paragraph (1) of this subsection.

36 v. "Parent" means the parent of a member who was receiving at
37 least one-half of the parent's support from the member in the 12-
38 month period immediately preceding the member's death or the
39 accident which was the direct cause of the member's death. The
40 dependency of such a parent will be considered terminated by
41 marriage of the parent subsequent to the death of the member.

42 w. "Medical board" means the board of physicians provided for
43 in N.J.S.18A:66-56.

44 x. (1) "Spouse," for employees of the State, means the husband
45 or wife, or domestic partner as defined in section 3 of P.L.2003,
46 c.246 (C.26:8A-3), of a member.

