

# Political developments affecting NJEA members

## 1. Sen. Sweeney's pension/benefit reform agenda:

On Monday evening, Senate President Sweeney issued a statement announcing his intention to seek "swift action" on a package of changes to pensions and benefits. While no specific bills have yet been introduced, we expect that to happen quickly, perhaps as early as next week.

The statement provides an outline of what to expect: *"Among the concepts... the Senate must revisit include*

- *rolling-back a nine-percent increase legislatively enacted in 2001 which resulted in a significant increase in the pension fund's unfunded liability,*
- *increasing the number of 'high salary' years used to calculate pension benefits from the average of three years to the average of at least five years,*
- *requiring all part-time employees to enroll into a defined contribution plan instead of the pension system and*
- *allowing all current non-vested public employees to opt into a defined contribution retirement plan."*

NJEA has a long history of fighting for and protecting the integrity and security of our members' pensions and benefits. We intend to do so as this round of proposals is considered and debated. As we implement a communications and organizing strategy around this issue, we should communicate the following to members:

- Our overriding objective is to protect the security of our members' pensions and benefits.
- Secure, stable reliable pensions and benefits are a critical factor in keeping our schools strong and successful.
- We do not want to see any changes that reduce pensions or benefits for our members.
- We also must not allow an unstable, unsustainable system to threaten the pensions and benefits of all members.
- We will be reviewing all of the specific proposals as they become available, and we are exploring additional reform options in order to determine what steps are possible and/or necessary in order to create a better, more secure system for all of our members.
- We need to help the state solve this problem, because it is in the best interests of our members to do so.
- We believe there is room for pension and benefit reform which specifically targets the scourge of pension abuse that only harms our members.

- The legislature needs us to be partners in securing the pension and benefit system. Legislators need to be partners as well, by aggressively rooting out both political corruption as well as “legal” abuse of the pension and benefits system.
- In 2004, NJEA filed a lawsuit, which is still pending, over the state’s abject failure to fund its share of the contributions to the pension system over nearly two decades. While the state has neglected its pension funding responsibilities, NJEA members have contributed faithfully out of every paycheck. With NJEA’s cooperation, that contribution recently increased by 10%.
- Any solution to the pension and benefits problems facing the state must include solid assurances that responsible funding practices will be in place moving forward.
- NJEA will not agree to any changes which do not serve to make our members’ pensions more secure.
- As more information emerges, NJEA will study every specific proposal. We may not agree with every proposed reform, and we may choose to fight any or all of the proposals.
- Ultimately, however, we must be part of a common-sense, proactive approach to securing the pensions and benefits our members rely on.

## 2. Gov. Christie’s education transition report

Last Friday, the Christie administration released a number of reports from its transition team. Of greatest interest to our members were two reports. One dealt with pensions and benefits, and many of our concerns are addressed above. The other dealt with educational issues. That report touched on a number of hot-button issues, from collective bargaining to tenure to vouchers, and beyond. **It is important to remind members that these reports are recommendations, not law or policy.** However, we expect that the administration will move to enact many of their recommendations, and individual legislators may also move to introduce legislation based on the recommendations. We are preparing to act accordingly.

Below is a summary of the most critical proposals raised in the reports, as well as NJEA’s initial response.

### Collective Bargaining

#### The recommendations:

- **Salary freeze** – “absent a source of funds to pay” for contractual salary increases for the 2010-2011 school year, “the administration should take action to freeze salaries for all public employees,” including school employees.
- **Contract imposition** – Restore local boards’ ability to invoke the ‘last, best offer’ following superconciliation.

- **Regional salary guides** – “create regional salary guides to control escalating salary expenses.”

#### **NJEA’s position:**

- NJEA remains firmly committed to the principle of collective bargaining.
- Collective bargaining is closely linked to the success of New Jersey’s schools. Because teachers and school employees are treated and compensated as professionals, our schools are able to attract and retain high quality professionals who are critical to New Jersey’s academic success.
- Negotiated contracts are legally binding and cannot be unilaterally changed by either the local board of education or the state. All parties to a contract must honor its terms and conditions.
- Contract imposition is antithetical to the process of collective bargaining. New Jersey’s history clearly demonstrates that the specter of imposition led to more labor conflict. In the 6+ years since contract imposition was eliminated in New Jersey, there has not been a single school district strike, which had been far more common when imposition existed.
- Collective bargaining, including for salary guides, should continue to take place at the local level.

## **Tenure**

#### **The recommendations:**

- **Probationary period** – should be increased from three years to five years
- **Evaluation** – rigorous post-tenure review
- **Dismissal** – streamlined tenure removal process with strict adherence to six-month timeline and a six-month leave without pay.

#### **NJEA’s position:**

- Tenure is a necessary due-process requirement which protects teachers from arbitrary, capricious or politically motivated firings.
- NJEA has supported previous tenure reform efforts, including the reform which implemented our current system, which is faster and more efficient than the system it replaced.
- The tenure system must be strong enough to protect against unfair dismissal and political interference.
- The current three-year probationary period, in which a teacher does not earn tenure protection until the first day of the fourth year of employment, provides sufficient time for administrators to evaluate new teachers and determine whether tenure should be granted.

- NJEA supports high standards for teachers and supports fair, constructive and rigorous evaluation throughout a teacher’s career, both before and after tenure is earned.

## Vouchers/School Choice

### The recommendations:

- **Choice** – “create opportunities in select urban areas for children who qualify for free or reduced lunch to attend public and private schools of their choice through support of the Urban Enterprise Zone Jobs Scholarship Act (voucher bill) which would provide tax credits to corporations that contribute to eligible scholarship organizations. The bill would authorize the diversion of tax dollars to subsidize private education.
- **Inter-district school choice** – support pending legislation to expand existing options.

### NJEA’s position:

- NJEA is opposed to using public funds to subsidize private school tuition costs. The jobs Scholarship Act would divert up to \$360 million from the state treasury during the trial period alone.
- NJEA believes public funds should be used to support accountable public schools, not to subsidize private, for-profit or sectarian schools.
- New Jersey provides significant choice for parents in the form of intra-district choice, inter-district choice, magnet schools, vocational schools and charter schools in addition to excellent traditional public schools.
- All of New Jersey’s school choice options share a common trait: they are all held to the same rigorous standards of accountability. That is not true of private, for-profit or parochial schools.

## Charter Schools

### The recommendations:

- **Expansion** – 5-10 new charter schools by fall 2010 through expanding the charters of “highly successful proven charter school operators.”
- **Closure** – Revocation of charters for the “lowest performing schools.”
- **Facilities** – Make available for charter school use “facilities belonging to district schools that are not being used for educational purposes” along with “other available and appropriate state property.”
- **Multiple chartering authority** – allow certain entities to create multiple charter schools, including universities, municipalities, school districts and the NJ department of Education.

**NJEA's position:**

- NJEA is not opposed to high quality public charter schools as one component of an innovative, progressive system of public education.
- Charter schools should be held to very high standards.
- Rushing the application process in order to meet an unrealistically short timeline of opening 5-10 new charter schools this year would not allow for adequate review by the Department of Education and planning by the charter school operator. That is not the way to maintain high standards.
- While it makes sense to fully utilize existing district facilities, it must be up to the district to determine what space is available for use by charter schools. In no case should a charter school's use of district facilities limit the access or opportunities of students enrolled in the district's schools.

**Other issues**

- The transition team's education report deals with a number of other issues, including regionalization and shared services and removing or reducing some of the regulations currently governing public schools.
- It also delves into areas including teacher evaluation, standardized testing, certification, special education, professional development and NJEA Convention attendance.
- Each of these areas are important to our members and our schools and each will be studied in depth.
- It is our belief right now that most of those issues, if they are raised, will come later, after some of these other issues addressed earlier in this communication.
- NJEA will continue to prepare for these issues, and will monitor their development so that we are prepared to participate productively when discussions occur.

**3. Gov. Christie's executive order regarding "pay-to-play"**

On his first full day in office, Gov. Christie issued a series of executive orders. Of the most interest to NJEA and its members was one which attempts to bring unions under the state's pay-to-play restrictions.

NJEA's attorneys are reviewing the order to determine if it is applicable to NJEA. While we are awaiting a final opinion, it appears likely that the executive order will not be able

to prevent NJEA and its members for exercising our rights to engage in the political process.

We will pursue any necessary action to ensure our members' rights are protected with regard to this issue.