

March 22, 2017

URGENT LEGISLATIVE ALERT

Municipal Clerks: Time Sensitive Materials.

Please forward to Mayor and Governing Body Members Immediately.

Dear Mayor:

IMMEDIATE ACTION NEEDED TODAY, PFRS Transfer Legislation Before Full Assembly Tomorrow.

Please contact your Assembly Representatives immediately and ask them to oppose A-99/S3040

The New Jersey General Assembly is scheduled to consider **TOMORROW** [A-99/S-3040](#). This legislation will transfer management of the Police and Firemen's Retirement System (PFRS) from the Division of Pension and Benefits to the Labor controlled Board of Trustees of PFRS. This bill has already passed the State Senate. If approved tomorrow, it will head to the Governor for his review.

The League, joined by the New Jersey Association of Counties and the New Jersey Conference of Mayors, **opposes** this legislation. We have asked the sponsors to **HOLD** the bill so that it may be fully reviewed by the Pension Health Benefits Review Commission. If it comes to a floor vote, we have asked every member of the New Jersey General Assembly to **VOTE NO on A-99 AND S-3040**.

More specifically, we object to the fact the A-99/S-3040 would create a 12 member PFRS Board of Trustees comprised of 7 labor representatives and 5 management representatives for the following reasons:

- Property taxpayer dollars fund PFRS.
- Property taxpayer dollars equal 70% of PFRS assets with employees contributing 30%.
- Property taxpayers assume the risk of loss in PFRS as a defined benefit plan.
- Municipalities and counties have met their pension obligations as employers.
- Any changes to benefits, including increasing benefits, cost of living adjustments, or reduction of existing retiree benefits, will be enacted by the labor dominated Board and not the Legislature.

For additional background on this issue: click here for our [earlier correspondence](#) or [blog postings](#).

[click here for the opinion piece by former State Treasurer Andrew Sidamon-Eristoff](#); [click here for the March 22 Asbury Park Editorial on this legislation](#);

[click here for a joint opinion piece between the League and the Association of Counties.](#)

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Sincerely,

Michael J. Darcy, CAE
Executive Director

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