#### LEGISLATIVE HISTORY CHECKLIST

NJSA:

18A: 66-193 to 18A: 66-205

(Higher education -- public and

independent early retirement

for faculty

**CHAPTER 88** 

Laws Of: 1987

Bill No:

A1000

**Sponsor(s):** Doria

Date Introduced: Pre-filed

Committee:

Assembly: Higher Education and Regulated Professions;

Appropriations

Senate:

Education

Amended during passage:

Yes

Substituted for S2739 (not attached since identical to A1000).

Amendments during passage denoted

by asterisks

Date of Passage:

Assembly:

November 10, 1986.

Senate:

March 9, 1987

Date of Approval: April 6, 1987

Following statements are attached if available:

Sponsor statement:

Yes

Yes

Committee statement:

**Assembly** 

6-16-86 and 10-2-86

Senate

Yes

2-26-87 and 2-19-87

Fiscal Note:

Yes

**Veto Message:** 

No

Message on Signing:

Yes

Following were printed:

Reports:

No

Hearings:

No

#### [THIRD OFFICIAL COPY REPRINT]

## ASSEMBLY, No. 1000

## STATE OF NEW JERSEY

#### PRE-FILED FOR INTRODUCTION IN THE 1986 SESSION

#### By Assemblyman DORIA

An Acr establishing an early retirement incentive program for tenured faculty members at institutions of higher education in New Jersey and making an appropriation.

- 1 Be it enacted by the Senate and General Assembly of the State
- of New Jersey:
- 1. As used in this act: 1
- $\mathbf{2}$ \*\*\* La. "Governing Boards Association" means the New Jersey
- State College Governing Boards Association established pursuant
- to P. L. 1985, c. 161 (C. 18:64-45 et seq.). \*\*\*
- 5 \*\*[b.]\*\*\* \*\*\*a.\*\*\* "Independent institution of higher educa-
- 6 tion" means a college or university incorporated and located in
- New Jersey, which by virtue of law or character or license, is a
- nonprofit educational institution authorized to grant academic
- 9 degrees and which provides a level of education which is equivalent
- to the education provided by the State's public institutions of **1**0
- higher education as attested by the receipt of and continuation 11
- of regional accreditation by the Middle States Association of Col-12
- leges and Schools, and which is eligible to receive State aid under 13
- 14the provisions of the Constitution of the United States and the
- Constitution of the State of New Jersey, but does not include any 15
- educational institution dedicated primarily to the education or 16
- training of ministers, priests, rabbis or other professional persons 17
- in the field of religion. 18
- \*\*\* [c.] \*\*\* \*\*\* b.\*\*\* "Public institution of higher education" 19
- means Rutgers, The State University, the New Jersey Institute

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 printed in italies thus is new matter.

- Matter enclosed in asterisks or stars has been adopted as follows:
  - \*—Assembly committee amendments adopted June 16, 1986. \*\*—Assembly committee amendments adopted October 2, 1986.
  - \*\*\*-Senate committee amendments adopted February 19, 1987.

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of Technology, the University of Medicine and Dentistry of New 22 Jersey ***, the State Colleges*** and the county colleges.
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- 23 \*\*\* [d.] \*\*\* \*\*\*\* c.\*\*\* "Program" means an early retirement in-
- 24 centive program established by an institution of higher education
- 25 pursuant to this act.
- 1 2. The governing board of a public or independent institution
- 2 of higher education \*\*\* [, or the Governing] \*\*\* \* [boards associa-
- 4 colleges with full-time faculty, \*\*\* may present to the State Board
- 5 of Higher Education a proposal for a faculty early retirement
- 6 incentive program. The board shall review the proposal and either
- 7 approve or disapprove the program's establishment at the college
- 8 or university.
- 1 3. a. Program eligibility at each institution of higher education
  - is limited to tenured faculty members who are at least 60 years
- 3 of age by June 30, \*[1986]\* \*1987\* and who have at least 10 years
- 4 of service at the college or university \*or who are at least 55 years
- 5 of age by June 30, 1987 and who have at least 25 years of service
- 6 at the college or university; except that a faculty member who is
- 7 retiring from a public institution of higher education or a State
- 8 college who is at least 55 years of age by June 30, 1987 and who
- 9 has at least 25 years of service may accumulate the 25 years of
- 10 service at more than one public institution of higher education or
- 11 State college provided that at least 10 years of the service is at
- 12 the college or university from which he is retiring\*. \*\*\*Any ser-
- 13 vice rendered by a faculty member which was creditable in the
- 14 Teachers' Pension and Annuity Fund shall be deemed creditable
- 15 service for the purposes of this act, provided that this provision
- 16 shall be subject to the ten year higher education service require-
- 17 ment.\*\*\*
- b. An institution of higher education \*\*\* [shall] \*\*\* \*\*\* may \*\*\*,
- 19 based on sound educational reasons, designate academic subject
- 20 areas or programs \*\*\* which are not eligible \*\*\* for inclusion in
- 21 the program and shall establish a specific proportion of faculty
- 22 who are eligible to participate in the program.
- 4. a. The governing board of each public institution of higher
- 2 education\*\*\*\*[, or the Governing]\*\*\* \*[boards association]\*
- 3 \*\*\* [\*Boards Association\* on behalf of the State colleges,] \*\*\*
- 4 shall determine the program's retirement incentive, but in no
- 5 instance shall the incentive exceed \*[full cost of health benefits to
- 6 age 65 and \* 100% of the faculty member's current salary for
- 7 those who are \*[60]\* \*55\* to 64 years of age, and 50% of current

- 8 salary for those who are 65 to 69 years of age for retirements
- 9 taking effect on June 30, \*[1986]\* \*1987\*. Retirements taking
- 10 effect as of June 30, \*[1987]\* \*1988\* shall qualify for an incentive
- of \*Inot more than the full cost of health benefits to age 65 and \*I\*
- 12 80% of the faculty member's current salary for those who are
- 13 \*[60]\* \*55\* to 64 years of age, and 35% of the current salary for
- 14 those who are 65 to 69 years of age. The cost of the retirement in-
- 15 centive is to be financed by the college or university.
- b. The provisions of subsection a. of this section shall not apply
- 17 to an independent institution of higher education which determines
- 18 and finances its own retirement incentive.
- 19 \*\*\*c. The provision of subsection a. of this section shall not
- 20 preclude the board of trustees of a county college from determin-
- 21 ing and financing its own retirement incentive with an individual
- 22 faculty member.\*\*\*
  - 5. a. An eligible faculty member who elects to participate in
  - 2 the program shall make a written request for early retirement
  - 3 to the institution's president by \*\*\* [March 30,] \*\*\* \*[1986] \*
  - 4 \*\*\***[**\*1987\***]**\*\*\* \*\*\*a date to be determined by the chancellor\*\*\*.
  - 5 The written request shall specify a requested effective retirement
  - 6 date of either June 30, \*[1986]\* \*1987\* or June 30, \*[1987]\*
  - 7 \*1988\*. The president shall make a recommendation concerning the
  - 8 application to the institutional governing board which shall con-
  - 9 sider and act upon the application within 60 days of its receipt.
- 10 Approved applications for early retirement shall take effect upon
- 11 the stated option of the eligible faculty member, either on June 30,
- 11A \*[1986]\* \*1987\* or June 30, \*[1987]\* \*1988\*.
- b. In acting upon an application for early retirement, the presi-
- 13 dent and governing board shall consider the educational and eco-
- 14 nomic impact of the retirement upon the college or university.
- 1 6. An eligible faculty member has the right pursuant to the
- 2 provisions of the "Open Public Meetings Act," P. L. 1975, c. 231
- 3 (C. 10:4-6 et seq.) to request that the governing board's considera-
- 4 tion of the application for early retirement is held in public and
- 5 has the further right to be heard by the board and to present
- 6 evidence in support of the application.
- 7. \*[a.]\* A faculty member whose application for program par-
- 2 ticipation is approved by the institutional governing board may
- 3 choose to receive the retirement incentive as determined pursuant
- 4 to section 4 of this act \* in equal accordance with normal payroll
- 5 procedures at the employing institution which at the request of the
- 6 eligible faculty member may be paid \*\* in equal installments over a

- 7 period of one, two or three years, in one lump sum payment, or
- 8 by the purchase of a single purchase annuity. \*An eligible faculty
- 9 member may also direct the institution to fund the full cost of
- 10 health benefits to age 65 from the proceeds of the retirement
- 11 incentive.\*
- \*[b. The faculty member shall receive full pension credit for the
- 13 year in which they receive their one year's annual salary incentive
- 14 or appropriate portion thereof.
- 15 c. Faculty employed by public institutions of higher education,
- 16 including the State colleges, who retire under the program shall
- 17 be credited for a full year's service and this year shall be added
- 18 to the total of 25 years of service needed to qualify for State
- 19 payment of health insurance premiums.]\*
- 1 8. An eligible faculty member who retires under the program
- 2 shall forfeit all tenure rights and the college or university shall
- 3 have no obligation to employ the individual at any time after retire-
- 4 ment. An institution of higher education may employ persons
- 5 retired pursuant to this act as adjunct faculty according to the
- 6 salary schedule applicable to adjunct faculty.
- 1 \*9. An eligible faculty member who retires from a public insti
  - tution of higher education \*\*\*\* [or a State college] \*\*\* under this
- 3 program \*\* who is subsequently employed by a public institution
- 4 of higher education or a State college as an adjunct faculty member
- 5 may be so employed for no more than one academic year. During
- 6 the employment, the adjunct faculty member shall not teach more
- 7 than one-half the normal teaching load of a full-time faculty mem-
- 8 ber at the employing institution. At the time the adjunct faculty
- 9 member is employed, the president of the employing institution
- 10 shall certify in writing to the Chancellor of Higher Education that
- 11 the employment is necessary to fulfill academic program needs
- 12 at the institution \*\* \*\* shall not be employed as an adjunct faculty
- 13 member at such institutions except under emergent circumstances
- 14 as defined by regulation of the Board of Higher Education\*\*.\*
- 1 \*[9.]\* \*10.\* A faculty position which becomes vacant due to a
- 2 retirement under a program established pursuant to this act
- 3 shall not be subject to the provisions of Executive Order No. 10
- 4 of 1982.
- 1 \*[10.]\* \*11.\* The Department of Higher Education shall, within
- 2 the limit of funds made available to it, reimburse an institution of
- 3 higher education for the cost of hiring faculty \*for the 1987-1988
- 4 academic year\* to replace full-time faculty members who retire
- 5. pursuant to the provisions of this act. \*[However, in the event

- 6 that a faculty member who elects early retirement is teaching in
- a program or department which is being phased out, the institu-
- 8 tion may apply the funds toward the salaries of faculty members
- 9 continuing to teach in that program or department. 1\* The depart-
- 10 ment shall distribute funds to each institution at the rate of
- 11 \$2,000.00 per course but no more than \$10,000.00 per faculty
- 12 member \*per year\*. If faculty replacement costs total more than
- 13 the amount appropriated pursuant to section \*\*[13]\*\* \*\*14\*\* of
- 14 this act, the department shall reduce the \$2,000.00 per course rate
- 15 proportionately.
- 1 \*[11.]\* \*12.\* The State Board of Higher Education shall prom-
- 2 ulgate rules and regulations pursuant to the "Administrative
- 3 Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1 et seq.) necessary
- 4 to implement the provisions of this act.
- 1 \*[12.]\* \*13.\* The provisions of this act are effective notwith-
- 2 standing any provision to the contrary of the "Teachers' Pension
- 3 and Annuity Fund Law," N. J. S. 18A:66-1 et seq., The Alternate
- 4 Benefits Program established pursuant to P. L. 1969, c. 242 (C.
- 5 18A:66-167 et seq.) or the Public Employees Retirement System
- 6 of New Jersey established pursuant to \*\* N. J. S.] \*\* \*\* P. L. 1954,
- 7 c. 84 (C.\*\* 43:15A-6 et seq.\*\*)\*\*
- 1 \*[13.]\* \*14.\* There is appropriated \*\*[\$4,000,000.00]\*\*
- 2 \*\*\$3,000,000.00\*\* from the General Fund to the Department of
- 3 Higher Education to effectuate the purposes of this act.
- 1 \*[14.]\* \*15.\* This act shall take effect immediately.

HIGHER EDUCATION—COLLEGES AND UNIVERSITIES Establishes early retirement incentive program for tenured faculty members at institutions of higher education, appropriates \$3 million.

- 3 education for the cost of hiring \*[adjunct]\* faculty to replace
- 3A full-time faculty members who retire pursuant to the provisions of
- 4 this act. \*However, in the event that a faculty member who elects
- 5 early retirement is teaching in a program or department which is
- 6 being phased out, the institution may apply the funds toward the
- 7 salaries of faculty members continuing to teach in that program
- 8 or department.\* The department shall distribute funds to each
- 9 institution at the rate of \$2,000.00 per course but no more than
- 10 \$10,000.00 per faculty member. If faculty replacement costs total
- 11 more than the amount appropriated pursuant to section 13 of this
- 12 act, the department shall reduce the \$2,000.00 per course rate
- 13 proportionately.
- 1 11. The State Board of Higher Education shall promulgate rules
- 2 and regulations pursuant to the "Administrative Procedure Act,"
- 3 P. L. 1968, c. 410 (C. 52:14B-1 et seq.) necessary to implement the
- 4 provisions of this act.
- 1 12. The provisions of this act are effective notwithstanding any
- 2 provision to the contrary of the "Teachers' Pension and Annuity
- 3 Fund Law," N. J. S. 18A:66-1 et seq., The Alternate Benefits
- 4 Program established pursuant to P. L. 1969, c. 242 (C. 18A:66-167
- 5 et seq.) or the Public Employees Retirement System of New Jersey
- 6 established pursuant to N. J. S. 43:15A-6 et seq.
- 1 13. There is appropriated \$4,000,000.00 from the General Fund
- 2 to the Department of Higher Education to effectuate the purposes
- 3 of this act.
- 1 14. This act shall take effect immediately.

#### STATEMENT

This bill establishes an early retirement incentive program for tenured faculty members at institutions of higher education in the State.

The governing board of the institution, or, in the case of the State colleges, the Governing Boards Association, would present a proposal to the Board of Higher Education. Action on the general proposal and each specific application must consider the educational and economic impact on the institution.

To be eligible a faculty member must be at least 60 years of age by June 30, 1986, with at least 10 years service at the institution. To participate, a faculty member must apply in writing by March 30, 1986, indicating whether he elects to retire on June 30, 1986 or June 30, 1987. The institutional governing board must act within 60 days of the receipt of the request.

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# ASSEMBLY HIGHER EDUCATION AND REGULATED PROFESSIONS COMMITTEE

STATEMENT TO

### ASSEMBLY, No. 1000

with Assembly committee amendments

## STATE OF NEW JERSEY

DATED: JUNE 16, 1986

The Assembly Higher Education and Regulated Professions Committee favorably reports Assembly Bill No. 1000 with amendment.

As amended by committee, this bill establishes an early retirement incentive program for tenured faculty members at public and independent institutions of higher education in the State. Under the bill's provisions, the governing board of the institution, or the State college Governing Boards Association in the case of the State colleges, could present a proposal to the State Board of Higher Education for its approval of the establishment of an early retirement program at that institution.

To be eligible to participate in an early retirement program, the faculty member would have to be at least 60 years of age by June 30, 1987 and have at least 10 years of service at the college or university or be at least 55 years of age by June 30, 1987 and have at least 25 years of service at the college or university. In the case of a faculty member who is 55 years of age with 25 years of service who is retiring from a public institution of higher education or a State college, the 25 years may be accumulated at more than one public institution provided that at least 10 years of the service is at the institution from which he is retiring.

An eligible faculty member would have to apply in writing to the institution's president by March 30, 1987, indicating his desire to participate in the program and whether he elects to retire on June 30, 1987 or June 30, 1988. The president would then make a recommendation to the governing board which must act upon the request within 60 days of its receipt. In considering the application, both the president and the governing board are to consider the educational and economic impact of the retirement upon the institution.

The governing board of the institution, or the Governing Boards Association on behalf of the State colleges, would determine the program's retirement incentive. For a public college or university that incentive could not exceed the following:

#### ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

### ASSEMBLY, No. 1000

[Official Copy Reprint] with Assembly committee amendments

# STATE OF NEW JERSEY

DATED: OCTOBER 2, 1986

The Assembly Appropriations Committee favorably reports Assembly Bill No. 1000 OCR with amendments.

Assembly Bill No. 1000 OCR as amended establishes an early retirement incentive program for tenured faculty members at public and independent institutions of higher education in the State, upon approval of the State Board of Higher Education.

Eligibility for the program is limited to tenured faculty members who will be at least 60 years of age by June 30, 1987 and have at least 10 years of service at the college or university or who will be at least 55 years of age by June 30, 1987 and have at least 25 years of service, which may be accumulated at more than one public institution provided that at least 10 years of the service is at the institution from which he is retiring.

The maximum allowable retirement incentive at public institutions would be structured as follows:

- For June 30, 1987 retirements—If the member is between 55 and 64 years old, a payment equal to one year's current salary. If the member is between 65 and 69 years old, a payment equal to 50% of current salary.
- For June 30, 1988 retirements—If the member is between 55 and 64 years old, a payment equal to 80% of current salary. If the member is between 65 and 69 years old, a payment equal to 35% of current salary.
- Eligible faculty members may direct the institution to fund the full cost of health benefits to age 65 from the proceeds of the incentive.

#### FISCAL IMPACT:

Each institution is responsible for financing the cost of early retirement incentives. However, the Department of Higher Education shall, within available funding, reimburse each institution for the cost of replacement faculty at the rate of \$2,000.00 per course up to a maximum of \$10,000.00 per faculty member. There is an appropriation, as amended, for \$3 million.

#### COMMITTEE AMENDMENTS:

The amendments, as recommended by the Subcommittee on Government Operations, reduce the appropriation from \$4 million to \$3 million and change the provision that a faculty member in the incentive program may not be subsequently employed as an adjunct faculty member except under emergent circumstances.

#### SENATE EDUCATION COMMITTEE

STATEMENT TO

## ASSEMBLY, No. 1000

[Second Official Copy Reprint] with Senate committee amendments

## STATE OF NEW JERSEY

DATED: FEBRUARY 19, 1987

The Senate Education Committee favorably reports Assembly Bill No. 1000 2nd OCR with Senate committee amendments.

As amended, this bill establishes an early retirement incentive program for tenured faculty members at public and independent institutions of higher education in the State. Under the bill's provisions, the governing board of the institution could present a proposal to the State Board of Higher Education for its approval of the establishment of an early retirement program at that institution.

To be eligible to participate in an early retirement program, the faculty member would have to be at least 60 years of age by June 30, 1987 and have at least 10 years of service at the college or university or be at least 55 years of age by June 30, 1987 and have at least 25 years of service at the college or university. In the case of a faculty member who is 55 years of age with 25 years of service who is retiring from a public institution of higher education, the 25 years may be accumulated at more than one public institution provided that at least 10 years of the service is at the institution from which he is retiring. Service rendered by a faculty member under the Teachers Pension and Annuity Fund (TPAF) will be considered creditable service for this early retirement program, provided that the faculty member meets the 10 year higher education service requirement.

An eligible faculty member would have to apply in writing to the institution's president by March 30, 1987, including his desire to participate in the program and whether he elects to retire on June 30, 1987 or June 30, 1988. The president would then make a recommendation to the governing board which must act upon the request within 60 days of its receipt. In considering the application, both the president and the governing board are to consider the educational and economic impact of the retirement upon the institution.

The governing board of the institution would determine the program's retirement incentive. For a public college or university that incentive could not exceed the following:



# SENATE REVENUE, FINANCE AND APPROPRIATIONS COMMITTEE

STATEMENT TO

## ASSEMBLY, No. 1000

[Second Official Copy Reprint] with Senate committee amendments

## STATE OF NEW JERSEY

DATED: FEBRUARY 26, 1987

The Senate Revenue, Finance and Appropriations Committee reported Assembly Bill No. 1000 2nd OCR Sca favorably.

Assembly Bill No. 1000 2nd OCR Sca establishes an early retirement incentive program for tenured faculty members at public and independent institutions of higher education in the State and appropriates \$3 million to the Department of Higher Education to reimburse institutions for the cost of hiring part-time faculty members to temporarily replace any retirees. Under the bill's provisions, the governing board of an institution may present a proposal for the establishment of an early retirement program to the State Board of Higher Education for its approval.

To be eligible for an early retirement incentive, a faculty member would have to be at least 60 years of age by June 30, 1987 and have at least 10 years of service at the college or university or be at least 55 years of age by June 30, 1987 and have at least 25 years of service at the college or university. In the case of a faculty member who is 55 years of age with 25 years of service who is retiring from a public college or university, the 25 years may be accumulated at more than one public institution, provided that at least 10 years of the service is at the institution from which he is retiring. In addition, service rendered by a faculty member under the Teachers Pension and Annuity Fund (TPAF) will be considered creditable service, provided that the faculty member meets the 10 year higher education service requirement.

The maximum allowable retirement incentive at public institutions would be structured as follows:

- a. For faculty members retiring as of June 30, 1987; 100% of current salary for one year if the member is from the ages of 55 to 64 and 50% of current salary if the member is from the ages of 65 to 69.
- b. For faculty members retiring as of June 30, 1988; 80% of current salary for one year if the member is from the ages of 55 to 64 and 35% of current salary if the member is from the ages of 65 to 69.

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These incentive limits do not apply to an independent institution of higher education since such institutions finance their own retirement incentives. In addition, the bill permits a board of trustees of a county college to determine its own incentive program since the college would finance the early retirement program.

Any faculty member who elects early retirement forfeits tenure rights and the vacated position is exempt from the requirements of the State Vacancy Review Board (Executive Order No. 12 of 1982).

#### FISCAL IMPACT:

This bill appropriates \$3,000,000.00 from the General Fund to the Department of Higher Education to provide reimbursements to institutions for the cost of temporarily replacing retired faculty with part-time faculty at a rate of \$2,000.00 per course up to a maximum of \$10,000.00 per faculty member per year.

In addition, under the provisions of the bill, both public and independent colleges and universities will finance the cost of the retirement incentive. To the extent that the State finances the public colleges and universities, the State will finance such retirement costs. However, the public institutions are expected to experience a reduction in compensation costs, which may or may not offset the retirement incentive costs. It is difficult to estimate the extent to which this may occur since various incentives may be offered and the number of faculty members who will accept incentives is unknown.

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#### FISCAL NOTE TO

## ASSEMBLY, No. 1000

[SECOND OFFICIAL COPY REPRINT]

# STATE OF NEW JERSEY

DATED: FEBRUARY 5, 1987

Assembly Bill No. 1000 of 1986 establishes an early retirement incentive program for tenured faculty members at public and private institutions of higher education in the State, upon approval of the State Board of Higher Education. The incentive at public institutions would be an amount equal to a percentage of their current salary at the time of retirement ranging from 35% to 100%, depending upon age and amount of service. The cost of the retirement incentive program at both public and private institutions is to be financed by the college or university. The bill provides an appropriation of \$3,000,000.00 to the Department of Higher Education for the reimbursement of the institutions for the cost of hiring replacement faculty.

The Division of Pension states that the liability of the State to pay for the benefits of members enrolled in the Alternate Benefit Program would be minimal because the State's liability ends with the members' retirement or termination of employment. The division anticipates the number of faculty members enrolled in the Public Employees Retirement System to be small and would not result in any significant increase in annual funding requirements.

The Office of Legislative Services concurs with the Division of Pensions.

The Department of Higher Education estimates that \$3,000,000.00 will be required in FY 1987 and \$1,000,000.00 in FY 1988 to fund the costs of replacing faculty with adjunct faculty. This estimate is based upon the assumption that most employees who take advantage of the early retirement program will retire in the first year of the program when the benefits are greatest. The cost of the salary incentive would be borne by the institutions salary appropriation.

The Office of Legislative Services finds that no information is available on the number of individuals who would take advantage of this opportunity to retire early or the cost of replacement faculty. Further, the Department of Higher Education estimate does not address potential future cost savings of replacing retired higher salaried tenured faculty with lower salaried faculty.

974.90



# OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001 Contact:

JOHN SAMERJAN

609-292-8956 OR 292-6000 EXT. 207

TRENTON, N.J. 08625
Release: TUES., APR. 7, 1987

Governor Thomas H. Kean signed legislation establishing an early retirement incentive program for tenured faculty members at higher education institutions to encourage younger and more dynamic staffs at the colleges and allow for the assignment of faculty members to areas where they are most needed, such as computer science and engineering.

A-1000, was sponsored by Assemblyman Joseph Doria, D-Hudson and Senator Matthew Feldman, D-Bergen.

Governor Kean has called for the legislation in the last three annual messages to the Legislature because the current system too often limits the opportunity for promotion for younger faculty members and dissuades them from staying at the institution.

The bill covers tenured faculty members at public and independent institutions.

Under this legislation, the governing board of a public or independent institution or the State colleges may present to the State Board of Higher Education a proposal for a faculty early retirement incentive program.

To be eligible, faculty members must be at least 60 years of age, by June 30, 1987, and have at least ten years service at the college or university, or at least 55 years of age with 25 years of service.

The legislation provides a \$3 million appropriation for the colleges and universities to pay the salaries of adjuncts hired to replace retiring full-time professors.

The legislation is effective immediately.

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974.9d



# OFFICE OF THE GOVERNOR NEWS RELEASE

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