

[How to Save Your Pension by Wendell Steinhauer](#)

Here are several things you can do, starting today, to help build on our momentum to **save your pension**:

- Visit the new [FundNJ Pension](#) organizing website to learn more about pensions and how we can save them.
- While you are there, take a moment to [send a message](#) to your legislators.
- Talk to your colleagues who weren't at the meeting last night about what they can do, and sign up at least [five new pension activists](#). We have power in numbers!
- Hold a [10-minute meeting](#) for your colleagues so they can join you in this fight.
- Create a local Pension Action Team, then implement your own Action Plan using these [sample materials](#).
- Make sure that members of your local participate in the [Great Twitter Payday Campaign](#) next Thursday, April 30 and every payday after that.
- [Send us](#) your organizing success stories, so we can share them with others and help you multiply the impact of your hard work.

Please note: A personal, hand written note/ letter to your legislators is a powerful tool that carries a lot of weight.

[MCCEA Pension Watch](#)

Star Ledger

N.J. Legislature will fully fund pension in 2016, senate president vows

By [Samantha Marcus](#) | [NJ Advance Media for NJ.com](#)

April 26, 2015 at 8:07 AM

TRENTON — State Senate President Stephen Sweeney does not leave room for doubt when he says the Democratic-led state Legislature **will fully fund New Jersey's public worker pension system next year.**

"We're going to fund it," he said.

Democratic leaders say they're forging ahead with plans to make a \$3.1 billion contribution into a pension system bedeviled by nearly two decades of underfunding.

Sweeney (D-Gloucester) said lawmakers are devising strategies to boost the funding level in Gov. Chris Christie's proposed budget for the 2016 fiscal year beginning in July by about \$1.8 billion.

Christie's budget includes a \$1.3 billion payment he hailed as the largest in state history but is less than half of what is required by law and even less still than the amount recommended by actuaries to keep the fund from going broke.

Actuary reports released earlier this year show the state's [unfunded liability grew](#) by about \$4.5 billion to \$40 billion in 2014, blaming some of the new debt on the failure to live up to a 2011 law committing the state to increasing funding levels.

While Christie met the ramp-up schedule for two years, he cut payments in 2014 and 2015 and proposes to do so a third time in 2016 to balance the budget.

Labor leaders have said they won't settle for less than what's owed under that embattled law, and in February [won a trial court fight](#) to force Christie to satisfy the 2011 agreement. Christie has appealed to the [state Supreme Court](#), which will hear arguments next month.

Unions have also sued the governor over his plans to short next year's payment, though attorneys for Christie have argued the courts have no say in what he recommends.

Rhetoric heated up this week after Sweeney and Assembly Speaker Vincent Prieto (D-Hudson) [joined labor unions](#) in asking the Supreme Court to force Christie to make a larger payment.

Christie accused Democratic leaders of "suing themselves," while Assembly Minority Leader Jon Bramnick (R-Union) challenged Democrats to come up with the money and Assemblyman Declan O'Scanlon (R-Monmouth) tagged calls to fund the pension "pandering," warning that coming up with \$1.57 billion with just two months left in the fiscal year would force mass layoffs of teachers.

"That's hysteria," Sweeney responded. "That's someone that doesn't have an answer for anything."

No matter the outcome of the pitched legal battle, Sweeney, who with Christie spearheaded the 2011 pension reform legislation, said he intends to make good in 2016.

"We can fund it, and we can fund it by doing some smart things in government," he said, describing a cryptic blend of new revenue and cuts.

"Some of it's savings through modernization and efficiencies. And they're real. They're real savings," he said. "We've identified several areas where we're not going to hurt anything but where we're able to save."

In an effort to restore the nearly \$1.57 billion cut from pensions last spring, the Legislature passed a budget that raised income taxes on millionaires and corporation business taxes. It was met with an executive veto.

"If it's anything like last year, I'm sure it'll be relying on massive tax increases and accounting gimmicks," Christie spokesman Kevin Roberts said Friday.

Assembly Majority Leader Lou Greenwald (D-Camden) said it's too soon to know what the funding mix will look like, noting that the Legislature is still waiting on final revenue figures that could make their job easier or much harder.

Greenwald told a conference of labor leaders last week that the Legislature is working to meet its obligation, but he acknowledged the difficulties.

"I would be lying to you if I did not tell you as I stood here I do not hold out hope that we can be successful," he said.

The Legislature was able to cobble together funding for 2015, and it will try to do that again in 2016, but Greenwald said funding pensions can't continue to as a year-to-year proposition.

"I'm thinking about it far more than what is our plan for 2016," he told NJ Advance Media. "This is what has gotten us into trouble, looking at it from this year-to-year methodology.

Any plan that hikes income taxes on millionaires, though, could be expected to draw strong objection from Christie, who has warned the added burden will run them out of New Jersey.

"Be careful," he told a town hall crowd in Cedar Grove on Thursday. "You know what happened last year? 10,000 millionaires left New Jersey. People of wealth can move, and they can move easily."

[Politics by Brian Adams](#)

Star Ledger

OPINION

Christie's presidential hopes are blocking a pension deal | Moran

By Tom Moran | Star-Ledger Editorial Board

April 26, 2015 at 8:08 AM

If Gov. Chris Christie **didn't lie so much, I might be tempted to feel sorry for him these days.**

But he tells such whoppers.

In his latest swing through New Hampshire, he repeated his claim that New Jersey has the highest taxes in the country. We rank No. 7 in combined state and local taxes per person, and No. 10 as a share of income.

And he was only clearing his throat with that one. **On Thursday, he told voters at a town hall meeting in Cedar Grove that Democrats are the ones who shorted the pension fund.**

"The Legislature passed it, and I signed it, with that number in it," he said.

Scary. Because this is not a small point; it is at the core of the pension case now before the state Supreme Court.

A bump in the "millionaires tax" would help party leaders sell the deal to fellow Democrats.

The truth is that Democrats passed a budget with the full pension payment, to prove it could be done. Christie removed that money with his line-item veto. Did he really forget that?

Here's why we should all care: New Jersey's budget crisis is the second worst in the nation, behind Illinois'. But instead of looking for common ground with Democrats, the governor is taking reckless pot shots and refusing to budge.

Senate President Stephen Sweeney, the governor's lead Democratic partner in his first term, **says the bromance that made the 2011 reform possible is now dead.**

"It's night and day," says Sweeney (D-Gloucester). "In 2011 we did things face to face, a lot of discussion. Now he attacks me on Twitter."

If you want to dig for the roots of this standoff, start with Christie's presidential campaign.

That ties his hands. He can't do anything to offend Republican base voters, like sign a small tax hike on incomes over \$1 million.

Democratic leaders vow they will not cut a deal that puts the entire burden on public workers, as Christie has proposed.

A bump in the "millionaires tax" would not come close to solving the fiscal problem, but it would soften the need for cuts a bit, and help party leaders sell the deal to fellow Democrats.

"At the end of the day everyone has to be realistic," says Assembly Speaker Vincent Prieto (D-Hudson).

This is where the poison left by Christie's broken promise does such damage.

The 2011 reform was a bargain: Public workers had to pay more into the system and take less out. They did their part.

The governor agreed to ramp up pension payments in return. But his "Jersey Comeback" never materialized, so he broke that promise and shorted the funds.

This time around, Democrats and their union allies are in a sour mood. They feel burned.

Sweeney and Prieto both joined the union lawsuit that seeks to force full pension payments on the 2011 schedule. But they both know that would be almost impossible. It would require \$3.1 billion next year, and as much as \$5 billion two years later.

In interviews, both Sweeney and Prieto say they will present a budget this year that includes full payments, but would settle for less if a fair political deal could be reached.

"We may need to spread the payments out over a longer period of time," Prieto says. "But we should be making a good-faith effort to honor what we are supposed to be doing."

The wild card is the Supreme Court, which hears the case in two weeks. The key question is whether the 2011 law amounts to a contract that must be honored, and the smart money says the unions are likely to win again, as they did in lower courts.

But what then? The court has no means to enforce its ruling. And Christie will be sorely tempted to go rogue and defy the ruling if he loses. Attacking a liberal court and public worker unions could work magic among the GOP base.

"It's conceivable they would hold the governor in contempt," says professor Robert Williams, an expert on the state constitution at the Rutgers-Camden School of Law. "We could face a constitutional crisis."

Courts try to avoid that by giving the players political wiggle room, as the lower court did. If that happens, **the search for political compromise will resume.**

And that's where Christie's political campaign is such a curse to this state.

Democrats seem ready to cut that deal if it includes a millionaires tax. And two-thirds of New Jersey voters think it should be included.

But Christie doesn't need our votes anymore. He's competing for the crazy GOP base vote now. And that could be toxic for New Jersey's future.

Northjersey.com

OPINION

Analysis: On town-hall stage, Christie's facts aren't always on target

April 25, 2015, 11:16 PM

BY DUSTIN RACIOPPI, SALVADOR RIZZO AND MELISSA HAYES

STATE HOUSE BUREAU |
THE RECORD

Governor Christie has wrapped up the first of a series of town-hall-style meetings in New Hampshire, the first primary state in the 2016 presidential election, and he told potential voters there he will be returning at least once a month for more.

Christie, who is expected to run for the GOP nomination, is calling these meetings with voters his Tell It Like It Is tour — a variation on his recent weekly town-hall-style events in New Jersey and promoted by his staff on social media as “The Whole Truth.”

But at these gatherings in New Jersey and in New Hampshire, Christie has said things that appear to bend the facts — sometimes with the twist of just a word or an omission of a key detail.

In some cases, Christie does not give full context, as when he talks about his opposition to Obamacare but does not describe the impact of the Affordable Care Act in New Jersey.

In other cases, Christie misstates a number when backing up his point to an audience, and in others he offers clear inaccuracies that have been repeated several times.

The governor's office views these errors as the consequence of Christie's aggressive brand of retail politics.

"Governor Christie has spent hundreds of hours over five years engaging with his constituents, hearing their concerns and personally responding to their questions in a direct and unscripted manner," spokesman Kevin Roberts said. "If the result of that level of interaction with the people of New Jersey is a story that splits hairs, we will take that trade-off any day."

Christie's signature town-hall-style meetings are also campaign events where he is gathering support from voters — most recently for a proposal to reform the public employees' pension and health benefits plans. Whether it is at a high school gym in New Jersey or a sports bar in New Hampshire, Christie's words echo nationally as he lays out a presidential agenda while imploring voters and conservative GOP leaders to inspect and judge him on his record as governor.

"He's always campaigning. It's constant, constant campaigning," said Jane Elizabeth, senior research project manager at the **American Press Institute on Fact Checking**, an initiative started by the journalism support organization to bolster accuracy in reporting.

“He should be able to get this right by now. He should get the wording correct,” she added, in response to questions posed by The Record.

Below is an analysis of what Christie has said and how his statements reconcile with the facts.

Pension lawsuits

Christie: In Hasbrouck Heights on April 16, Christie got into a lengthy exchange with a questioner over pension funding. Christie, who is involved in two lawsuits with public-employee unions over his reduced payments, defended his contributions as being higher than any previous governors', even if they were not as much as he had planned. "What makes me laugh about this, quite frankly, is that you have people out there yelling and screaming. Where were they? Where were they when Jim Florio wasn't paying into the pension? **Where were they when Christie Whitman was not paying into the pension? Where were they when Jim McGreevey was not paying into the pension and Dick Codey was not paying into the pension? They didn't even sue them back then.**"

Analysis: **The New Jersey Education Association was quick to point out that it had, in fact, sued former Governor McGreevey over his "pension funding failures" in 2003.** The case dragged out through the administrations of former Governors Codey and Jon Corzine, and was settled in 2010 during the first months of Christie's tenure.

Pension payments

Christie: Christie has also said at three town-hall-style meetings that he has paid more into the public-employee pension fund than any other governor. In Freehold on March 17, he said: **"This year we proposed making a \$1.3 billion payment to the pension fund. That will be the single-largest payment that's ever been made in any year into the pension system.** And in fact, over the last five years, our administration has paid \$4.2 billion into the pension system. So \$4.2 billion's a big number. Let me give you some respect to scale. We've done that over five years — \$4.2 billion. In the 15 years before I became governor, under five other governors, Republicans and Democrats, the total payment in 15 years was \$3.4 billion."

Analysis:

The Christie administration has not paid \$4.2 billion into the pension system, though it promises it will do

so. It has paid \$2.2 billion since enacting pension reforms in 2010 and 2011. Christie has been more precise in other instances, like at town-hall-style events in Moorestown and Whippany, saying that the state “will have” paid \$4.2 billion into the pension fund. Roberts said that highlighting instances in which the governor’s “phrasing may have been off once or twice amount to cherry-picking to fit your narrative.”

Christie skipped the first year’s payment in 2011. They were scheduled to increase each year for seven years. But missed revenue projections led Christie to reduce his payments for the 2014 and 2015 fiscal years. All together, Christie has paid about \$2.2 billion into the pension fund — less than the \$3.4 billion total paid by former Governors Whitman, McGreevey, Codey and Corzine and ex-Gov. Donald DiFrancesco

If Christie’s reduced payment of \$681 million for the 2015 fiscal year stands, and if Christie pays the \$1.3 billion he has proposed for the 2016 fiscal year beginning July 1, he will have paid \$4.2 billion.

Inheritance tax

Christie: The governor regularly points out that New Jersey is one of just two states that have both an estate and inheritance tax — “death taxes,” they are often called. “When you make the money, whether you’re a public-sector worker or private-sector worker, we tax you,” he said in Somerville. He went on to describe the different taxes, then said that “at the moment you die, we take our share. Then, when you give it to your son or daughter or wife or husband, we take more then, like in the transfer we take more. We take it from you when you die and then as it moves magically over to your heir, we take more from them.”

Analysis:

The inheritance tax does not apply to immediate family — parents, “descendents,” spouses, domestic partners, civil union partners and grandparents, according to the Department of Treasury. It does apply to siblings — as Christie has correctly noted — as well as nieces and nephews and other relatives, according to Treasury.

Affordable Care Act

Christie: At the governor’s first town-hall-style event in New Hampshire on April 15, a man asked the governor what he thought about the Affordable Care Act, commonly known as Obamacare. Christie said: **“As a governor, I know Obamacare doesn’t work and can’t work.”** Christie added that he would elaborate in a series of speeches laying out specifics of how he would replace the president’s landmark health care law. “I opposed it, I don’t have a state-based exchange in my state. I would not put it in place because it did not work in my state.”

Analysis: Christie has made many public comments expressing his disapproval of the Affordable Care Act. **Although Christie rejected setting up a state exchange, in 2013 he did opt to expand Medicaid, a major provision of the health care law. That has broadened health coverage to low-income residents, with a bulk of the state's Medicaid costs being covered by the federal government.**

Roberts said the health care law is "much more" than Medicaid expansion, and that the governor "strongly believes it is the wrong solution for New Jersey and states across the country to effectively address our nation's health care system." Still, **Christie's decision to expand Medicaid has benefited New Jersey. Treasurer Andrew Sidamon-Eristoff told two legislative budget panels last month that there has been a more than \$400 million drop in documented charity care claims in 2014, a 40 percent reduction.**

"Expanding Medicaid was the right decision for New Jersey," Christie said in Somerville on March 10. In turn, the 2016 budget proposes reducing charity care funding \$148 million. **The Affordable Care Act, Sidamon-Eristoff said, "is driving fundamental changes in health care finance and significant net new dollars into our hospital system."**

Millionaires tax

Christie: On dozens of occasions over the years, Christie has used the millionaires tax, the common name for the income tax on the highest earners that was enacted in 2004, as a prime example of what he views as the state's burdensome tax structure. More recently, he has used it as punch line, as he did in Old Bridge on April 7.

"We already have a millionaires tax in New Jersey," Christie said. "Of course, in New Jersey math, which is really great, right, the millionaires tax starts at anybody who makes \$400,000 a year or more. Why is it called a millionaires tax? Because a millionaires tax sounds better. So how do you sell that as your governor? You have a millionaires tax for people who make \$400,000 a year or more. The only way I've learned to try to sell this is to say to people is, 'Listen, if you're not a millionaire, but you want to feel like one, come to New Jersey. Even if you're not a millionaire, we'll tax you like you're a millionaire.'"

Analysis: Christie is right, the highest tax on incomes is not for those earning over \$1 million. However, the name for the high-earners tax is a leftover from its days as a legislative proposal, and it starts at 25 percent higher than Christie says it does.

New Jersey's top tax rate of 8.97 percent kicks in for income over \$500,000 — not a true "millionaires tax." **The tax was enacted under McGreevey, and once, under Corzine in 2009, the threshold dropped to \$400,000.** Corzine approved a one-year tax-rate increase on varying income levels, including a top tax rate of 10.75 percent on income over \$1 million, according to the Department of Treasury. In 2010, the Legislature attempted to renew the tax, but Christie vetoed it. The Legislature has also sent Christie proposals three times for a true millionaires tax. **The governor rejected the tax each time, which has kept the top tax rate during his tenure at \$500,000.**

"Whether the debate is at \$400,000 or \$500,000, Democrats in New Jersey for a decade have sold income tax hikes on incomes below \$1 million as a 'millionaires tax' when it simply isn't," Roberts said.

OPINION

The Dems and the pension-funding suit: Litigate in haste; repent at leisure | Mulshine

By [Paul Mulshine | The Star Ledger](#)

April 26, 2015 at 8:10 AM

Now he's getting somewhere.
And it's somewhere Chris Christie should have gone a long time ago.

At a town hall meeting in Cedar Grove Thursday, the governor suggested that the Democratic legislative leaders "are essentially suing themselves" by taking the side of the public-employee unions in a suit to force the state to put \$1.6 billion into the pension funds by the end of the fiscal year June 30.

What's at issue is the question of which branch of government should have to take the political heat in suits over funding issues.

So far it's always been the executive, but conservative Republican legislators have long been urging Christie to put the Legislature into the court's crosshairs instead.

"What are they gonna do, foreclose on the Statehouse?" – Asm. [Mike Carroll \(Morris County' –](#)

25 district) This crisis provides the perfect opportunity to do so in the considered judgment of the two Mikes. That would be Carroll, a Morris County assemblyman, and Doherty, a Warren County senator.

Suppose the unions win the suit, Carroll said.

"What remedy do the plaintiffs suggest?" he asked. "What are they gonna do, foreclose on the Statehouse?"

It's too late in the budget year for the governor to free up \$1.6 billion, said Carroll.

The Democrats argue that their original budget included the pension funding but Christie used his line-item veto to take it out, as well as the tax hike that would have funded it.

The Democrats are right. But that's a moot point, said Carroll.

"What do they do if Chris simply says 'I don't have that kind of money in my back pocket?'" he asked. "If they're stupid enough to throw him a high, hanging curveball, he can drive it out of the park."

The park in question would be the 2016 Republican presidential primaries. From his attitude at these town halls, Christie look like he would relish a showdown with the court, the unions and the Democrats.

He's unlikely to get that showdown. Past courts have punted on past pension-fund showdowns for the reason Carroll cited: No court wishes to issue an order that can't be enforced. And there is no way Christie could come up with that money by the June 30 deadline.

But suppose the court were to issue such an order applying to the budget for fiscal 2016, which begins July 1. That's another hanging curveball, said Carroll.

Christie could simply point to Senate President Steve Sweeney and Assembly Speaker Vincent Prieto and tell them the ball's in their court. If the Democrats want to make a couple billion dollars worth of cuts elsewhere in the budget, Christie could sit back and take credit for those budget cuts – always a good thing in Republican circles.

But if they propose tax hikes, Christie could veto them. Again, Republican primary voters would clap their hands. But what would happen to the court's order?

Well, then we get a constitutional crisis, one long overdue in the eyes of the other Mike. Doherty has long been questioning just where the court gets the power to tell the executive branch how to spend state money.

In the confirmation hearing for Chief Justice Stuart Rabner last year, Doherty raised that issue in a question about the Abbott school-funding case. That began in 1981 with a suit against the Byrne administration that has produced orders on school funding binding on every governor since.

Doherty has been suggesting that Christie should stop having his education commissioner come up with a school-funding formula and instead tell the Democrats to figure out a formula. Such a move would force many prominent Democratic leaders, such as Budget Committee chair Paul Sarlo, to shortchange their own suburban districts in favor of urban school districts.

Christie has ignored Doherty's advice, but "I guess he's coming around to my way of thinking now," he said.

Prior governors have gone along with every court order to increase spending, even when those orders required tax hikes. But if such an order were to come in this case, Christie could throw it right back at the Democrats.

"Christie could say, 'We have \$33 billion we're spending,'" he said. "He could put the money on the table with Sarlo and Sweeney and say, 'How are we gonna split this up?'"

At that point Sweeney might wish he'd never seen this suit.

Sweeney began his political career pitching some pension cuts more draconian than anything Christie has proposed.

Now that he's prepping for a possible run for governor in 2017, Sweeney would like potential Democratic primary voters to forget those proposals.

But Christie could simply read him his press clips and suggest that Sweeney's 2006 ideas be incorporated into the fiscal 2016 budget.

Maybe there's a way that this will all work out well for the Democrats. But I can't think of it.

In fact after I got done talking to the two Mikes, I had just one unanswered question:

How come Christie didn't sign on to this suit as well?

A flash from the past.

Star Ledger - Asm. Michael Patrick Carroll (District 25 - Morris County)

Christie's hard-right nominee for judgeship

By [Tom Moran](#) | [Star-Ledger Editorial Board](#)

on March 13, 2011 at 5:30 AM

Imagine for a moment that Republicans win control of the Legislature in this year's election, and Gov. Chris Christie can throw off the chains and unleash his inner-conservative.

We got a pretty scary glimpse last week, with his nomination of **Assemblyman Michael Patrick Carroll as a judge on the state Superior Court in Morris County.**

To say that Carroll is conservative is something like saying Genghis Khan had personality issues. "Conservative" just doesn't capture it.

Carroll believes you have the right to carry a machine gun, but no right to an abortion.

He believes food stamps should be eliminated, along with welfare, Medicaid and progressive taxation.

And he believes the Legislature and governor **should feel free to defy the state Supreme Court when it overreaches, as he says it has on education, housing and nearly everything else.**

Give the man his due: He is very smart, and his convictions are heartfelt. Unlike many of his colleagues, no political boss holds his strings. But if you want a judge to be neutral-minded and modest, he is not your guy. Carroll is happiest when he's raising hell.

For a glimpse, look at what he said about **African-Americans and the upside of slavery:**

"If slavery was the price that a modern American's ancestors had to pay in order to make one an American, one should get down on one's knees every

single day and thank the Lord that such price was paid.”

It is remarkable that Christie chose this man for a seat on the bench. But the story gets worse.

After Christie sent this nomination to the state Bar Association for its review, a screening committee interviewed Carroll for hours.

“I felt like one Christian among 25 lions,” Carroll says.

The real trouble came when it got personal.

Carroll, it turns out, was sued for legal malpractice three times. In two of those cases, he had to pay damages.

He paid one client \$20,000 a decade ago, he says, after missing a court appearance.

He paid another \$50,000 when he forgot another court date, causing his client to lose.

“I really screwed that up,” he concedes.

You can imagine how impressed a room full of respected lawyers were at this stage.

But then it got worse again. Carroll had declared **personal bankruptcy in 1992 after investing with a partner in a real estate deal that went sour.**

“My finances tend to look like an Obama budget,” he says. “I always pay my bills, but I don’t always pay them when they’re due.”

So let's sum up: The governor's choice for the bench is conservative enough to join a citizen militia camped in the mountains of Montana. His distinction as a lawyer is that he knows all about malpractice, first hand. **And he manages his finances like a confused teenager.**

Understand that Republican legislators would have approved Carroll for the bench with a sharp salute. They are so intimidated by Christie, it's a wonder they can muster the courage to use the capitol bathroom without his signature on a hallway pass.

Democrats, though, were not about to sign off on Carroll, especially after the state Bar Association said it could not screen this nominee because the governor did not provide them with enough time. Christie miscalculated and was forced into a rare retreat. He withdrew Carroll's nomination, for now.

The sad coda to this story is that the state Bar Association is conspiring with Christie to concoct the cover story about not having enough time. Carroll failed on the merits, but a flat rejection by the screening committee would have embarrassed the governor. So they made up the story about running out of time.

Carroll was interviewed on March 4, so the state Bar Association had to have notice of his nomination before then. And in a pinch, the screening process has been done in as little as one week. If timing were really the issue, why would the state Bar Association and the governor's office refuse to say exactly when Carroll's name was presented?

The governor's real purpose in nominating Carroll was probably to get him out of the Assembly before this year's budget debate. Christie prefers obedient minions, and Carroll made a fuss about his budget last year.

This was political housecleaning in the Legislature. And if that diminishes the judiciary by handing a judge's gavel to a fanatic, then so be it. That, in the end, is the scariest part of this story.

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