



Fiscal Year 2022 Budget Proposal: First Full Pension Payment in 25 years

Governor Murphy’s FY22 budget makes first full Actuarially Determined Contribution (ADC) pension payment since 1996

State was due to pay 90% of the ADC; full payment will save New Jersey taxpayers \$861m

Total budget investment in the pension system: \$6.4 billion

In FY2022, the Governor proposes making the first full pension contribution since FY1996. The recommended contribution, including contributions from the State lottery, totals approximately **\$6.4 billion** and meets **100 percent** of the Actuarially Determined Contribution (ADC).

The proposed FY2022 budget makes good on the Governor’s promise to public employees by including an additional **\$1.6 billion** to meet the goal of contributing 100 percent of the Actuarially Determined Contribution (ADC) to New Jersey’s pension system a year earlier than initially planned. The proposed **\$6.4 billion** pension payment, which includes contributions from the State lottery, would mark the first time the State has made a full contribution since FY1996.

The State has been on a 1/10 ramp up plan as it works its way up to meeting the full contribution and was initially slated to contribute 90 percent of the full contribution this year. The Governor’s decision to make a **100 percent** contribution a year early will substantially reduce the state’s obligation in the coming years, saving taxpayers **\$861 million** over the next 30 years. The combined pension contributions by the Murphy Administration in four years will roughly total an unprecedented **\$18 billion**, which is **\$9.4 billion** more than the prior Governor contributed over two terms.

Governor Murphy is proud to have kept his word to the hundreds of thousands of retirees who depend on their pensions.

Governor Murphy Provides Unprecedented Support to the Pension Systems

(In Thousands)

Governor	Defined Benefit Pension Contribution
Whitman	\$ 963,934
DiFrancesco	563
McGreevey	101,424
Codey	165,026
Corzine	2,175,596
Christie	8,758,628 *
Murphy	18,185,891 *

*Includes approximately \$1 billion in annual Lottery Enterprise contributions starting in FY2018