

New Jersey's Teacher Shortage is **Nothing Less than A Crisis**

TEACHING IN NEW JERSEY'S ANTIQUATED, UNION-DOMINATED PUBLIC SCHOOL SYSTEM IS NOT ATTRACTING TODAY'S YOUNG COLLEGE GRADUATES

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SUNLIGHT
POLICY CENTER
— OF NEW JERSEY —

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Introduction

New Jersey [school administrators are sounding the alarm about teacher shortages](#). The US [Department of Education](#) says New Jersey has a shortage of teachers in math, science, foreign languages, and English as a second language. At a recent legislative hearing on the subject, one legislator called the situation a “[crisis](#).”

The current shortage has a number of causes, most notably pandemic-driven early retirements, but these have only exacerbated a [steep decline](#) in the number of teacher candidates since 2010-11. The problem clearly pre-dates the pandemic.

Recognizing the problem, New Jersey has taken steps to address the shrinking pool of candidates, including allowing retired teachers to return to teaching, streamlining the application process and expanding the alternate route program by loosening its requirements. The legislature is reportedly also considering steps such as ending the New Jersey residency requirement and doing away with the edTPA teacher candidate assessment (for which the powerful New Jersey Education Association is [lobbying](#)). But this is a long-term trend and it is uncertain whether these policies will reverse it. If they don't, what are other possible solutions?

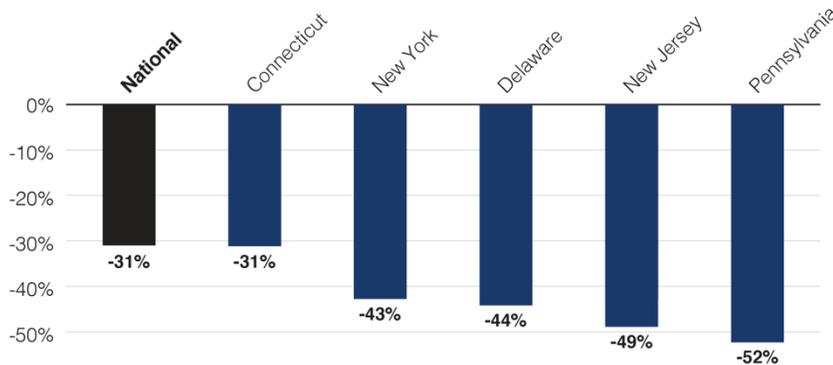
Pro-NJEA commentators like New Jersey Policy Perspective's (NJPP) Mark Weber reflexively call for higher teacher salaries, but Weber's most recent [report](#) on the subject provides no proof that teacher wage-levels are the cause of New Jersey's teacher candidate shortage. In any event, the data undercuts his thesis. Teaching in New Jersey public schools has never been a highly remunerative occupation. This was true when the number of teacher candidates reached its peak 2010-11 and it is true now. Moreover, New Jersey teacher salaries have consistently been among the top five in the nation, averaging 18% above the national average in [2010-11](#) and 19% in [2020-21](#), so New Jersey is among the most remunerative states to be a teacher. There must be other factors at work.

Predictably, Weber also points to edTPA and other policies instituted under Gov. Chris Christie that he claims made teaching less appealing, but once again Weber offers no direct proof that these led to a decline in teacher candidates.¹ And once again, as shown in [Figure 1](#) below, the data undercuts his thesis: the decline in teacher candidates has been regional and national, which New Jersey-specific policies cannot explain. Again, there must be other factors at work.

¹ It is true that the 2013 [closing of the state's alternate route program](#), which enabled people with subject-matter knowledge to teach without completing a traditional teacher-prep program, accounts for about a quarter of the overall decline. But absent that, New Jersey still saw a very large decline.

Figure 1.

Fewer Teacher Candidates Across the Nation
Percentage loss of teacher program completers by state, 2008-09 to 2016-17



Source: U.S. Department of Education, Title II Reports.

NEW JERSEY POLICY PERSPECTIVE NJPP.ORG

There are surely many causes of the decline in teacher candidates but clearly Weber's theses do not provide convincing answers. We must look elsewhere.

Sunlight proposes to look at the issue from a young college graduate's perspective. We pose a basic question: does employment New Jersey's current public school system present an appealing prospect for today's college graduates? [Today's college graduates seek mobility](#) rather than stability and "career ladders," and [change jobs more frequently](#) than previous generations. But in New Jersey, new teachers are forced to join an antiquated, union-dominated bureaucracy and participate in an inflexible employment system that promotes stability and privileges seniority, not mobility and flexibility.

Here's what a recent college graduate can expect from becoming a teacher in New Jersey:

- **Forced Union Membership and Very High Dues.** As a result of NJEA-friendly laws, new teachers are coerced into joining the NJEA² and having their highest-in-the-nation dues withheld from every paycheck for the rest of their public-school teaching career. For the average new teacher with \$37,000 in after-tax income, \$1,470 is a lot to pay without having a real choice in the matter.

² Sunlight will use the NJEA as a proxy for both all teachers' unions, including the national-level National Education Association, the state-level NJEA, and county and local associations. New Jersey teachers pay unified dues that fund all levels. For the most part, the unified dues go directly to the NJEA, which then distributes the dues to each of the various local associations.

- **Inflexible System that Discourages Mobility.** New teachers are forced into an employment system that locks them into the school district that hired them. Teachers who choose to move to a new teaching job in a different district generally lose their tenure and seniority rights and possibly their pay status.
- **Monolithic, Back-ended Pay System.** Teachers are forced into a monolithic pay system with uniform, fixed pay increases that reward seniority, not teaching skill or merit. Significant wage gains come at the end of a long career, not before. When it comes to pay, teachers are treated more like widgets than professionals.
- **Last-In-First-Out:** The system also ensures that in case of layoffs, newer, younger teachers will be the first to go. With post-pandemic enrollment in New Jersey public schools down, budget cuts and layoffs are a real possibility. Again, the system benefits older, career teachers.
- **Pension System Disfavors Younger Teachers:** New teachers are forced to join a state pension system that is highly unfavorable to younger teachers. A teacher does not vest until 10 years of service, and the 45% of teachers who leave before vesting end up subsidizing older, career teachers who once again benefit the most from the system. Moreover, teachers' pensions are not portable and ill-suited to today's younger workers who change jobs more often. And they are only 35% funded.
- **Dues Pay for Rich Leadership Compensation and Partisan Political Spending.** Teachers' dues fund rich salaries and gold-plated pensions for the NJEA's leadership. They also fund millions in political spending every year - almost exclusively for Democrats - regardless of whether the dues-payers are non-political or Republicans.

If New Jersey needs more new teachers, it must adopt policies to encourage them to join the teaching profession. But those policies must address the values and interests of today's college graduates. The nature of employment in New Jersey's public school system has not changed very much over the last 50 years, but the nature of our younger generations most certainly has. Our current employment system is not young-teacher-friendly. Shouldn't we be asking ourselves how the system can be improved to make the teaching profession more appealing to today's young college graduates?

1. Teachers Are Forced to Join the NJEA and Pay the Highest Dues in the Nation

Teachers Are Forced to Join the NJEA. Thanks to a law passed at the NJEA's behest, teachers are effectively forced to join the NJEA. The 2018 "Workplace Democracy Enhancement Act" (WDEA)³:

- Grants the NJEA gained the exclusive right to meet with newly hired teachers.⁴
- Requires school districts to provide the NJEA with personal contact information of all new (and existing) teachers.
- Prohibits school districts from encouraging employees to quit or not join the union.
- Limits a teacher's ability to stop paying dues and leave the union.⁵

The Case of a New Teacher Operating Under the WDEA. Consider how the WDEA's implicit coercion would affect a newly hired teacher. Entering the building for the first time as an employee, the teacher is confronted with an entrenched, long-standing status quo where more than 95% of the teachers belong to the union, and is required to attend a mandatory, exclusive "persuasion" session with union officials. It seems highly likely that the new teacher would feel considerable pressure to join the NJEA – especially since it is unlikely anyone would be able to inform the teacher of her First Amendment right not to join.

At the same meeting, the new teacher will be "persuaded" to have her union dues withheld from her paycheck, so going forward the teacher will never see the dues money and will never have the chance to reconsider whether she wants to pay the dues. The teacher's personal contact information will be sent to the union, and the teacher's ability to leave the union will be circumscribed.

Thanks to the WDEA, New Jersey teachers are still effectively forced to join and fund the NJEA.

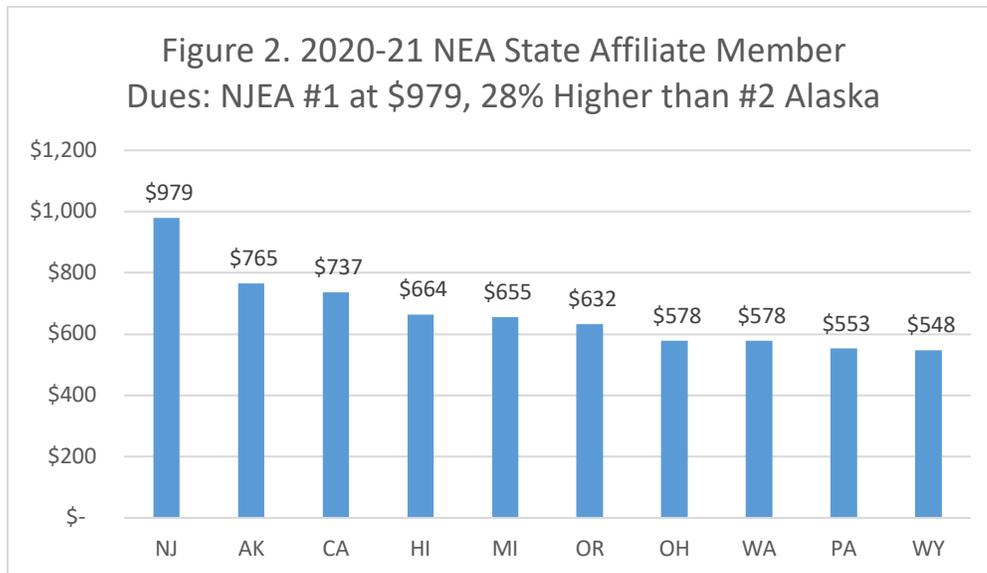
Maximum Dues Extracted for the NJEA and NEA. As intended, dues withholding results in teachers never seeing the money in their paychecks as well as being denied the opportunity to re-evaluate their participation in the NJEA while they are cutting a check for their highest-in-the-nation dues. As states like [Wisconsin and Michigan](#) show, when teachers are given a choice about their dues, many choose not to pay this kind of money for the privilege of union membership.

³ State of New Jersey, 218 Legislature, Senate, No. 2137, March 5, 2018, <https://www.njleg.state.nj.us/bill-search/2020/S3810/bill-text?f=PL21&n=411> .

⁴ The value of this meeting cannot be underestimated. The NJEA's parent, the National Education Association, says these meetings have an "'outsized' and 'lasting' impact on the strength of unions," and "boost membership numbers and build a foundation for later activism." National Education Association, "NEA's Guide to New Hire Orientations," *nea.org*, accessed May 3, 2022, <https://www.nea.org/resource-library/new-educator-campaign>. Download "New Employee Orientation Guide."

⁵ The WDEA limited the opt-out window to 10 days following a teacher's hiring date anniversary. A new law, the Responsible Collective Negotiations Act, allows for opting out at any time but with delayed effective dates, depending on when a teacher was hired. See Sunlight's report "[Lame-duck Lawmakers Sneak One Past the New Jersey Public.](#)"

The NJEA has used its extraordinary power to extract money from its members exceedingly well. As shown in Figure 2, the NJEA has the [very highest state dues in the nation](#) – 28% more than the next highest state.



Source: Education Intelligence Agency

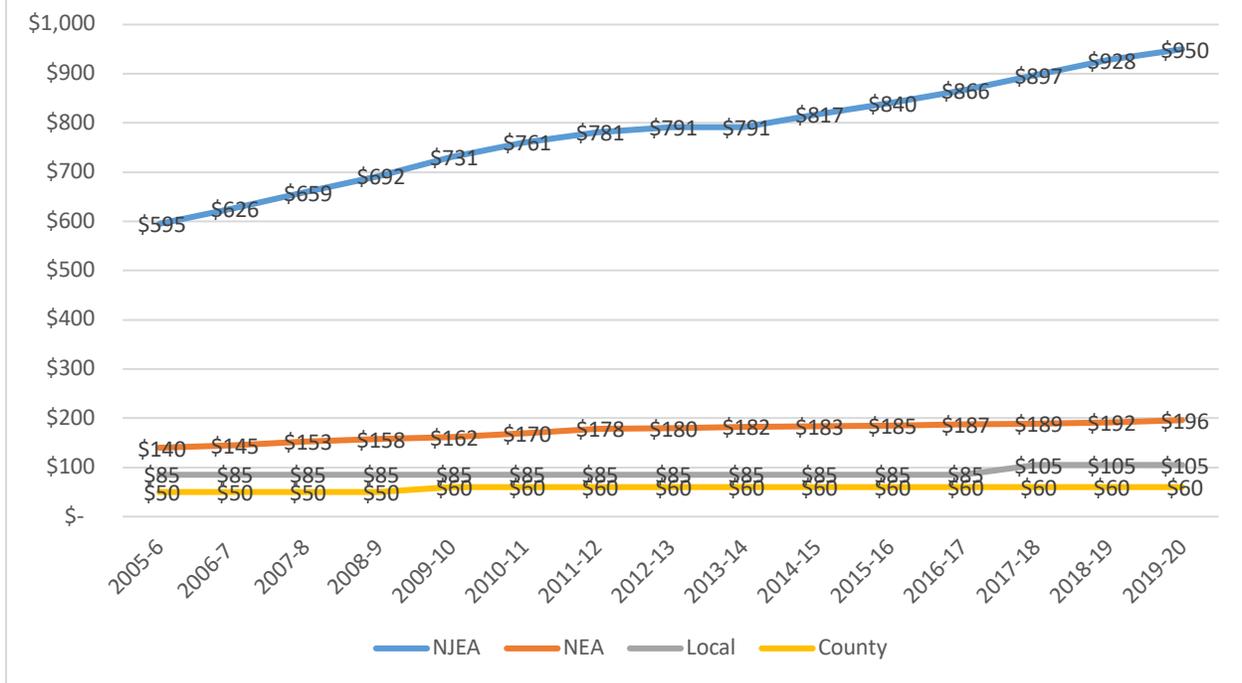
New Jersey teachers’ total dues – including national, state, county, and local dues - now amount to a whopping \$1,470 a year,⁶ which are deducted from a teacher’s paycheck *after* taxes have been paid. With an [average starting salary of \\$50,821](#), less federal and state taxes of \$13,818, a new teacher has disposable income of \$37,002, so these dues take a 4% chunk out of a teacher’s disposable income.

Most of these dues go to the NJEA and NEA: [70 percent goes to the NJEA \(which is the highest percentage in the nation\), 15 percent goes to the NEA, and only 12 percent stays with the local association](#), which does most of the representational work on behalf of teachers. Teachers have little transparency and very little say on how money is spent at the state and national level, and much of this money is spent on state and national politics.

Nor has the NJEA been shy about extracting more and more dues. As shown in Figure 3, the case of the Dover Education Association from 2005-06 to 2019-20 makes clear that NJEA dues have always commanded the lion’s share of dues, and they have increased by a much greater amount than NEA, local or county dues. In addition, at \$196, national NEA dues were greater than local (\$105) and county (\$60) dues combined.

⁶ Sunlight’s calculations from total dues for 2021-22 for [Montgomery Township Education Association](#), [Trenton Education Association](#) and [East Brunswick Education Association](#).

Figure 3. Dover Education Association: NJEA Dues Dominate;
NEA Dues Larger than Local and County Dues Combined



Source: [Dover Education Association](#)

2. NJEA Dues Are Funding Partisan Political Spending and Rich Compensation for Leadership

NJEA leadership’s rich salaries and gold-plated pensions. The NJEA leadership [compensates themselves](#) very well, and unlike teachers’ own pensions (see below), [the NJEA leadership’s pensions are very secure and gold-plated](#). All of this is paid for by teachers’ dues.

Political spending – almost all for Democrats. And what if the prospective teacher is non-political and doesn’t like the fact that the NJEA spent over \$10 million of teacher dues in the 2021 primary and general elections, or over \$80 per teacher? Or what if she is a Republican and resents the fact that 100% of the NJEA’s \$9.1 million in 2021 general election spending supported Democrats? Or that \$15.5 million of dues money supported Democratic Governor Murphy’s re-election?⁷

3. Newer, Younger Teachers Get a Particularly Bad Deal

⁷ The NJEA’s Super PAC, Garden State Forward, is funded by teachers’ regular dues. Garden State Forward spent \$10.14 million in the 2021 primary and general elections and the NJEA has 125,000 full-time teachers. Garden State Forward contributed \$15.5 million to pro-Murphy Super PACs. See [“A Sunlight Report on 2021 Election Spending: Super PACs and the NJEA Dominate.”](#)

All new teachers will be confronted by a system that systematically disadvantages them.

Inflexible System that Discourages Mobility. This system locks teachers into the school district that hired them after college. In almost all cases, teachers who choose to move to a new teaching job in a different district lose their tenure and seniority and must start over. In addition, moving teachers must renegotiate their pay, which could result in a pay cut.⁸ For today’s young college graduates, this lack of mobility is probably not very appealing.

Monolithic Pay Structures that Reward Seniority. Rigid, NJEA-negotiated, “step and lane” salary guides are the norm for public school teachers. Teachers with the same years of service get paid the same regardless of whether they are effective teachers. Teachers with advanced degrees get paid more regardless of whether those degrees actually make them better teachers. Any sort of merit-based pay is very rare in New Jersey because the NJEA fights it tooth-and-nail. The NJEA prefers a system that rewards seniority and credentials rather than professionalism, teaching skill and effectiveness. The result is that teachers are forced into a system that treats them like widgets, not the professionals they strive to be.

These monolithic pay-systems are particularly unfair to younger teachers. According to the step-and-lane contracts, teachers get fixed-percentage annual raises, so the largest pay-gains occur at the end of a career; the longer the career the better. Pay increases are much smaller when they are based on the lower salary levels for newer teachers.

Seniority Protected in Layoffs. In addition, layoffs are done by seniority, so younger teachers are more likely to be laid off in hard times, regardless of whether they are good teachers or not. As it happens, [post-pandemic enrollment in New Jersey’s public schools is down -3%](#), so budget cuts and layoffs are a real possibility for any new teacher. [Montclair](#) provides a case-in-point.

Pension system disfavors younger teachers. First, the overall amount of a teacher’s pension is based on the salaries of the last few years of the back-end-loaded salary guides that benefit older, career teachers. Second, all teachers are required to enroll in the pension system, but younger teachers tend to be more mobile and change jobs more frequently and their pensions do not travel with them. As a result, the 45 percent of teachers who leave the profession or the state before they vest (10 years) [stand to lose as much as tens of thousands of dollars by their forced participation](#).

Finally, because salaries are back-end-loaded, even teachers who vest must have long careers to break even. This was the conclusion of major studies of New Jersey’s teacher pensions by [TeacherPensions.org](#) and [Equable](#). As shown in Table 1, the point at which a teacher would make more money than she put in (the “break-even” point) is after 25-to-30 years of service. Using these years of service and the [projections of the pension](#)

⁸ New Jersey Education Association, “Changing school districts salary guide placement is negotiable,” [njea.org](#), accessed May 11, 2022, <https://www.njea.org/changing-school-districts-salary-guide-placement-is-negotiable-2/>.

[fund actuaries](#), Sunlight calculated that an even-higher 60 percent of New Jersey teachers – those that are younger - will lose money by their forced participation in the pension system. The majority of teachers are thus forced to subsidize the long-serving minority.

Table 1.

Study	Break Even	Will Break Even	Will Not Break Even
TeachersPension.org	30 yrs.	44%	56%
Equable	25 yrs.	48%	52%
Sunlight Policy Center	25-30yrs.	40%	60%

Sources: TeacherPension.org, Equable, Sunlight Policy Center

Teachers’ Pension Fund Is in Terrible Shape. Every New Jersey teacher is forced to join the state’s existing defined benefit pension plan. This [pension plan is a mere 35%-funded](#) – meaning that there is only 35 cents set aside for every dollar owed to retired teachers – and younger teachers should be rightly concerned about whether the pension promises made to them will ever be made good.

Options like private-sector 401(k) plans could serve them better because they are portable, younger teachers are not forced to subsidize long-serving, career teachers, and they would not be jeopardized by politically driven underfunding. But the NJEA is dead-set against the idea because, like the step-and-lane salary guides and seniority work privileges, the teacher pension system is designed to benefit the older, career teachers who make up the NJEA’s core constituency.

Conclusion

If New Jersey wants the best and brightest young college graduates to consider teaching, perhaps we should consider the quality of the job opportunity that is being presented to them. There are many reasons why a young adult would choose to become a teacher but surely it does not help to force every new teacher into a rigid, antiquated system that limits mobility and flexibility and is so clearly stacked against younger teachers.