

# **I'm 30 Years Old - Why Should I Care about the Pension Plan?**

No matter what your age or whether or not you are vested – and even if you don't work for the State of New Jersey – you should care about the fact that the State has deliberately refused to fund the New Jersey State Pension Plan.

If the State does not make its payments, one of two things will happen:

A. The pension plan will go broke, and the State will have to pay the cost of the pension payments to retirees and future retirees out of General Funds, in which case there will be no money for State services – YOUR job. There will be massive layoffs, potentially large tax increases, and the effective end of public careers everywhere.

OR

B. The pension plan will go broke, and the State will try to get out of paying the cost of pension payments to retirees and future retirees out of General Funds. In which case potentially 12% of New Jerseyans will be pushed into poverty, creating massive demands for services that cannot be paid for, dropping income and sales taxes to the State coffers by billions of dollars, causing massive layoffs, and the effective end of public careers everywhere and destroying the standard of living and quality of life for all of us.

You have made your payments into the pension with every paycheck. The State must make its payments, too. You may think that you are years away from a pension, but the fact is that the only way anyone can accumulate enough money for your retirement is if you start when you are young. That is how defined benefit pension plans work.

Everyone – including you - wants to be able to retire with dignity while you can still enjoy your health. That is what a pension does. It allows you to work over your lifetime and then actually have a time in your life while you are still healthy and strong, when you don't have to work. You have to make that happen when you are in your twenties and thirties, or you will find yourself in the place that MOST Americans are in who do not have pensions: they are age 65 and they might have \$10,000 - \$50,000 saved. Not nearly enough to retire on.

***“But wait! Doesn't all the money go to retirees, not to those of us who are active employees?!” NO. This pension fight is our fight. The State wants us to make the payments it hasn't made by cutting State payments for our healthcare and Christie wants to cut future pensions so that there won't be enough for us to retire on when it is our time.***

**All workers have to be united and fight for our pensions and benefits.**