

State Policies Governing Pension Plan Participation by Charter School Employees

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Responses were provided by retirement system representatives or taken from the website of the National Alliance of Public Charter Schools and other online resources.

Alabama	There are no charter schools in Alabama.
Alaska	Requires participation in the relevant retirement plan.
Arizona	Charter school teachers are eligible to participate in the Arizona State Retirement System
Arkansas	Arkansas law requires certified staff within open enrollment and conversion charter schools to participate in the state retirement system.
California	<p>A charter school has the option of participating in CalSTRS or creating or adopting another qualified retirement benefit plan for charter school staff. A decision to adopt CalSTRS is reflected in the school's charter. If a charter school chooses to make the CalSTRS plan available, employees of the charter school who perform creditable service must have that service and associated compensation reported to CalSTRS.</p> <p>Individual charter school teachers and other educators do not have the option of choosing either to participate or not to participate in CalSTRS.</p>
Colorado	<p>State statute provides that membership in Colorado PERA's School Division is mandatory for all Colorado school employees, including charter school employees, with the following exception. All Denver school employees are covered by the Denver Public Schools' Retirement System, which is a separate retirement system. The 1993 law (passed as SB 183) that allowed charter schools to be established in Colorado, required that a charter school be:</p> <ul style="list-style-type: none"> • A public school that is part of the local school district and accountable to the local board of education; • Subject to all federal and state laws; • Covered by Colorado PERA or the Denver Public Schools RS, whichever is applicable. <p>Colorado PERA has opposed legislation that would allow charter school employees (or charter school districts), to opt out of Colorado PERA for these reasons:</p> <ul style="list-style-type: none"> • If some employees left Colorado PERA, Colorado PERA's portability and funding would be reduced through "adverse selection". • Contribution rates to Colorado PERA would have to be increased to fund benefits for those employees who choose Colorado PERA membership. • Since all Colorado charter schools are required to follow state law on teacher certification and licensure, and certain employment and salary schedule provisions, requiring Colorado PERA membership for all of the state's charter schools (except those in Denver), is logical.
Delaware	When Delaware first started the charter school program it was left up to each school if they wanted to participate in the State's pension program. After a few schools found themselves in fiscal difficulties for various reasons the participation was then changed to mandatory.
District of Columbia	Employees transferring from a local district school to a charter school may elect to stay in the DC retirement system. Otherwise, charter employees do not have access to the system.
Florida	Public charter schools participation is optional and if they elect FRS participation, all employees filing a regularly established positions must be covered.
Georgia	Charter schools are relatively new to Georgia. As it relates to your survey/research question, we have not yet made a determination. Some preliminary research shows that it is possible charter school employees meeting the description above may be allowed into our plan as described, like the other employees of local school systems. However, this is still pending legal and other review.
Hawaii	Charter school employees are required to participate in the ERS of Hawaii.
Idaho	Participation in PERSI by charter school employees is mandatory.

Illinois	Illinois law provides that certified teachers in Chicago must participate in the Chicago Teacher Pension Fund, but non-certified teachers may only participate if permitted in their school's charter contract. The law also provides that non-Chicago teachers must participate in the State Pension Fund.
Indiana	Under Indiana law, charter school employees are members of either the Indiana Public Employees' Retirement Fund ("PERF") or Indiana Teachers' Retirement Fund ("TRF") depending on their job function. An individual who teaches in a charter school is a member of TRF. An individual who is a local school employee of a charter school and not eligible to participate in TRF is a member of PERF.
Iowa	Charter schools are required to participate in the PERS.
Kansas	Requires charter schools to participate in the PERS.
Kentucky	Kentucky has no charter laws.
Louisiana	Currently recognize 5 different types of charter schools, from completely independent to ones set up by the Recovery School District out of New Orleans to ones chartered by the BESE Board (public instruction). Teachers on an official LOA from their school district can work in a charter for up to three years and stay in the system. They must return to their original employer if they plan to retire, as their medical benefits here in LA come from the employer level, not the TRSL. For all other teachers in charter schools the employer decides if the teachers will be members of TRSL or something else and they would either be all in or all out. It is an employer's choice, not the employees.
Maine	Charter schools may set up their own retirement plan or elect to participate in the state retirement system.
Maryland	Charter schools are required to participate in the state teachers' retirement plan.
Massachusetts	Charter schools are required to participate in the state teachers' retirement plan.
Michigan	Charter school employees are required to be members of the Michigan Public School Employees Retirement System if they are direct employees of the charter school board. If the charter school board contracts with a management company to provide some or all of its teachers and staff, those contracted employees may not be members of the Michigan Public School Employees Retirement System (MPSERS). Currently about 30% of charter school employees are MPSERS members.
Minnesota	Teachers are covered by TRA. And although St. Paul and Duluth have their own teacher plans, the legislature decided that teachers working in charter schools in those two districts should also be covered by the statewide TRA instead of the local plans.
Mississippi	Charter schools are considered political subdivisions of the state and may elect to participate in the state retirement system.
Missouri	In most cases, charter schools are not allowed to participate in the Public School Retirement System (PSRS) or the Public Education Employee Retirement System (PEERS). Per Missouri statutes, charter schools can be established only in "metropolitan school districts," which, by definition, is one in a city not within a county, which is St. Louis City, and urban school districts. PSRS/PEERS, per statute, cannot cover schools that are not within covered districts (i.e., schools in St. Louis City and Kansas City school districts). To cover charter schools, statutes would need to be amended. Employees of charter schools in St. Louis and Kansas City are required to participate in the PSRS of the City of St. Louis or the PSRS of the City of Kansas City, respectively.
Montana	Montana has no charter laws.
Nebraska	Nebraska does not have laws providing for charter schools.
Nevada	Nevada law requires participation in the state PERS.
New Hampshire	The Charter Schools legislation in NH allows for the Charter schools to elect membership for its full time teachers, but made no provision for other staff.
New Jersey	Charter schools are required to participate in the state teachers' retirement plan.
New Mexico	All teachers and employees of Charter Schools are required to participate in the ERB as a condition of employment.

New York	Charter schools may elect to participate in the public retirement system.
North Dakota	North Dakota has no charter laws.
North Carolina	Charter schools may elect to include their teachers and employees in the state retirement system.
Ohio	In Ohio, teachers in charter schools are members and contributors of STRS Ohio, and are treated the same as any teacher in any other public school. Non-certified school employees are members and contributors of SERS Ohio, and are also treated the same as any non-certified employee of any public school.
Oklahoma	Charter schools may elect to participate in the Oklahoma Teachers' Retirement System.
Oregon	Participation in the pension program (Tier One/Two or OPSRP, as applicable) and the IAP is mandatory for every charter school employee who meets the program's eligibility requirements. This applies to employees in both teaching and non-teaching positions. Chapter 691, Laws of 2009 (SB 767) provides that a public charter school shall be considered a public employer and as such shall participate in the Public Employees Retirement System.
Pennsylvania	Charter School Law requires that all employees of a charter school must be enrolled in PSERS, unless the charter school has an alternate retirement plan that covers the employees. So, employees must be covered by a retirement plan, and the charter school can choose whether to use PSERS or another plan. To date, of the 125 charter schools that have been approved, 124 have chosen to use PSERS.
Rhode Island	If you have a teaching certificate and are a teacher in a charter school membership in the plan is mandatory.
South Carolina	SC has two different types of charter schools. If an existing school "converted" to a charter school, they must either remain a part of the local school district or join the SC Public Charter School District and retirement system coverage for all employees is mandatory. All other charter schools have the option of joining the system. If they join, they must cover all employees.
South Dakota	South Dakota has no charter laws.
Tennessee	Participation is mandatory. Charter school employees will participate in the same terms and conditions as Local Boards of Education. In other words, all teachers must participate in TCRS. Support personnel will participate if the local government participates in TCRS (about 95% of counties/about 60% of cities participate in TCRS).
Texas	Employees of open enrollment charter schools are eligible for membership in the Teacher Retirement System of Texas; if an employee is eligible (working in a full time position, not temporary, etc.), then TRS membership is mandatory. State law establishes this eligibility/participation requirement for such employees.
Utah	The Legislature has created a special provision for Charter Schools where they are able to make an election upon their creation regarding participation in the Utah Retirement Systems (URS). This is a one-time election and is irreversible. They can either elect to participate or not participate. However, if they elect to participate, all employees of the Charter School who are working at least 20 hours per week and receiving benefits from the employer must be covered.
Vermont	Vermont has no charter laws.
Virginia	Public charter schools may be established by school divisions under a new law which becomes effective July 1, 2009. Any employees of these public charter schools will be employees of their respective school divisions, which as employers within the VRS system, must enroll their charter school employees in the retirement program administered by VRS.
Washington	Charter schools were authorized in 2013 through Public Initiative Measure No. 1240. Under RCW 41.32.033 , charter school employees are not members of the Teachers' Retirement System (TRS) until the Department of Retirement Systems (DRS) receives determinations from the IRS and US DOL that participation does not jeopardize the status of these retirement systems as governmental plans. If this determination is made, charter school teachers will be mandated into TRS membership.

West Virginia	West Virginia has no charter laws.
Wisconsin	Charter schools that are part of a school district may elect to participate in the state retirement system.
Wyoming	Charter schools are required to participate in the Wyoming Retirement System.