

## Charter School Participation in Public Retirement Systems

NEA believes that charter schools should be required to participate in the relevant state and local retirement system(s).<sup>1</sup> Without such requirements, the demographics of retirement systems may be adversely affected by the proliferation of charter schools.

Some states have developed policies that are aligned with NEA’s Resolutions, but not all. In the table that follows, we have compiled policies for each state and the District of Columbia.

This table builds on previous work by the National Association of Retirement Administrators (NASRA).<sup>2</sup> In cases where we believe that their analysis is current, we have retained their language. In other cases, we have provided updated language or additional information.

State/District	Policy
AL	Start-up public charter schools may elect to participate in the Teachers’ Retirement System. The election must take place prior to the execution of the charter contract and once made, is irrevocable. Conversion charter schools shall participate in the Teachers’ Retirement System.
AK	Charter schools are required to participate in the relevant retirement plan.
AZ	A charter school may apply participate in the ASRS if it is sponsored by a state university, community college district, group of community college districts, the state board of education, or the state board for charter schools AND its application is approved by the ASRS. Upon joining the ASRS, a charter school has a one-time opportunity to identify and exclude current employees from ASRS membership based on their classification.
AR	Arkansas law requires certified staff within open enrollment and conversion charter schools to participate in the state retirement system.
CA	A charter school in California is required to place into their charter school petition whether their school staff members will be covered by

<sup>1</sup> Resolution F-67(e), NEA Resolutions for 2024-25, [https://www.nea.org/sites/default/files/2024-10/nea-resolutions\\_2024-2025.pdf](https://www.nea.org/sites/default/files/2024-10/nea-resolutions_2024-2025.pdf)

<sup>2</sup> NASRA, “State Policies Governing Pension Plan Participation by Charter School Employees,” 2022, <https://www.nasra.org/files/Compiled%20Resources/charterschoolpolicies.pdf>

	CalSTRS, CalPERS, or Social Security. If school staff are covered by CalSTRS or CalPERS, then the charter school is required to comply with applicable laws. Individual charter school educators do not have the option of choosing either to participate or not to participate in CalSTRS or CalPERS.
CO	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: Denver charter schools that did not participate in the DPS Retirement System at the time the system was merged into PERA.
CT	Public charter schools may participate in the CTRS.
DE	A charter school may choose to be covered by the state retirement system or choose another retirement system in lieu of the state retirement system. If the charter school chooses a retirement system other than the state retirement system, a memorandum of understanding must be executed.
DC	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.
FL	Public charter schools' participation is optional and if the charter school elects FRS participation, all employees filling a regularly established positions must be covered.
GA	A state attorney general opinion held that charter school teachers are required to participate in the state retirement system
HI	Charter school employees are required to participate in the ERS of Hawaii.
ID	Participation in the PERSI by charter school employees is mandatory.
IL	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.
IN	Charter schools can opt-in to the TRF plan or select an alternative plan. Any charter school that is currently participating in the TRF plan and decides to opt-out or offer an opt-out to its employees must complete the Charter School Opt-Out Notice form.
IA	Charter schools are required to participate in the PERS.
KS	Charter schools are required to participate in the PERS.
KY	Legislation enacted in March 2017 authorized public charter schools in Kentucky. The law states that charter school teachers must participate in the Kentucky Teachers' Retirement System, and classified employees must participate in the Kentucky County Employees Retirement System.
LA	Educators 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 come from the employer level, not the TRSL. For all other

	educators in charter schools, the employer decides if they will be members of TRSL or an alternative plan—they are either all in or all out.
ME	Charter schools may set up their own retirement plan or elect to participate in the state retirement system's Participating Local District (PLD) plan.
MD	Charter schools are required to participate in the state retirement system.
MA	Charter schools are required to participate in the state teachers' retirement plan.
MI	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 (MPERS).
MN	Charter school employees participate in the relevant retirement system.
MS	Charter schools are considered political subdivisions of the state and may elect to participate in the state retirement system.
MO	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." 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.
MT	Charter schools that are instrumentalities of a school district must participate in the state retirement system.
NE	Nebraska does not have laws providing for charter schools.
NV	Nevada law requires participation in the state PERS.
NH	A public chartered public school may choose to participate in the state teacher retirement system, and service in a public chartered public school shall be deemed creditable service under RSA 100-A:4.
NJ	Charter school employees who qualify must be enrolled in the Teachers' Pension and Annuity Fund or the Public Employees Retirement System.
NM	Charter Schools are required to participate in the ERB.
NY	Charter schools may elect to participate in the public retirement system. As of early 2025, 27 had done so.
ND	North Dakota has no charter laws.
NC	Charter schools may elect to include their teachers and employees in the state retirement system.
OH	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 noncertified employee of any public school.
OK	Charter schools may elect to participate in the Oklahoma Teachers' Retirement System.
OR	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.
PA	All employees of a charter school must be enrolled in PSERS, unless the charter school has an alternate retirement plan that covers the employees.
RI	With the exception of Mayoral Academies, charter schools must participate in the retirement system
SC	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.
SD	South Dakota has no charter laws.
TN	Charter school employees participate in TCRS on the same terms and conditions as Local Boards of Education. All teachers must participate in TCRS and support personnel participate if the local government participates in TCRS.
TX	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.
UT	Charter schools make an election upon their creation regarding participation in the Utah Retirement Systems (URS). This is a one-time election and is irreversible. 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.
VT	Vermont has no charter laws. The employees of four private schools, known as "historic academies," participate in the VSTRS.
VA	Public charter schools may be established by local school boards and operate as public schools within the local division. Generally, their employees are employees of the division and full-time school board employees are automatically enrolled in VRS.
WA	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.
WV	Charter schools may elect to participate in the retirement systems.

WI	Charter schools that are part of a school district may elect to participate in the state retirement system.
WY	Charter schools are required to participate in the Wyoming Retirement System.

To learn more about retirement security, contact the NEA Collective Bargaining and Member Advocacy Department at [mhairston@nea.org](mailto:mhairston@nea.org) or [jkane@nea.org](mailto:jkane@nea.org).

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