



New Hampshire Retirement System
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NHRS Frequently Asked Questions Concerning House Bill 1535 (One-time Payment to Eligible NHRS Retirees)

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Below are answers to some frequently asked questions concerning House Bill 1535 (HB 1535), which grants a one-time additional allowance of \$500 in fiscal year 2023 to eligible retirees and beneficiaries receiving a monthly benefit from the New Hampshire Retirement System (NHRS, the retirement system).

NHRS recognizes that there may be questions not addressed in this FAQ. Retirees with additional questions may contact the retirement system at info@nhrs.org or (603) 410-3500, Press 2.

GENERAL QUESTIONS

Who gets the allowance?

HB 1535 (Chapter 203, Laws of 2022) grants the additional allowance to retired members who meet both of the eligibility requirements below.

1. Members who retired on or before July 1, 2017, under service, early service, disability, or vested deferred retirement, or any beneficiary of such member who is receiving a survivor pension benefit.
2. The annual retirement allowance of the member or beneficiary as of June 30, 2022, is not greater than \$30,000.

When will this one-time additional allowance be paid?

NHRS is working to issue the \$500 payment to eligible retirees and beneficiaries no later than November 1, 2022. Please visit www.nhrs.org for updates.

Will the additional allowance be added to one of my monthly benefit payments?

No. The additional allowance will be issued as a separate, stand-alone payment.

If the retiree has set up electronic direct deposit for his or her monthly benefit, the additional allowance will be issued electronically. If the retiree receives his or her monthly benefit by paper check, the additional allowance check will be mailed.

Will taxes be withheld from the \$500 additional allowance?

Taxes will be withheld at a 10 percent rate for retirees who have taxes withheld from their regular monthly benefit.

Retirees who have elected to have no withholding taken from their monthly benefit will not have taxes withheld from the additional allowance.

Will I get another \$500 next year?

This is a one-time additional allowance to be paid in fiscal year 2023. Additional legislation would need to be enacted to provide future additional allowances or cost-of-living adjustments.

What is the full text of House Bill 1535?

AN ACT relative to a one-time allowance for certain state retirees

1 Retirement System; Additional Allowance; Appropriation.

I. An additional one-time allowance of \$500 shall be paid during state fiscal year 2023 to retired members of the retirement system, or any beneficiary of such member receiving an allowance, who are eligible as follows:

(a) The member has been retired for at least 60 months prior to or on July 1, 2022; and

(b) The annual retirement allowance of the member or beneficiary on June 30, 2022 is not greater than \$30,000.

II. The additional allowance shall not become a permanent addition to the member's base retirement allowance.

III. The sum of \$11,750,000 is hereby appropriated for the fiscal year ending June 30, 2023 to the board of trustees of the retirement system to fund the additional allowances granted under this act. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

IV. The payment of the one-time allowance shall be made by the retirement system as soon as administratively practicable after the effective date of this section, but not later than November 1, 2022.

2 Effective Date. This act shall take effect July 1, 2022.

ELIGIBILITY QUESTIONS

How will NHRS determine whether my annual retirement allowance on June 30, 2022, is not greater than \$30,000?

NHRS will take the gross benefit amount paid in June 2022 and multiply it by 12 to determine the annual benefit for the purposes of eligibility for the additional allowance. The gross amount is the benefit payment before any deductions are taken out.

My gross retirement benefit was \$30,000 or less when I first retired, but subsequently increased due to previous cost-of-living adjustments. Are these COLA increases included when determining whether my annual retirement allowance on June 30, 2022, is \$30,000 or less?

Yes. The law provides for eligibility based on the annual retirement allowance of the member on June 30, 2022. A cost of living adjustment increases the retirement allowance payable to a retiree and will be considered in determining whether or not the retiree benefit is \$30,000 or less.

I am receiving the Medical Subsidy. Does this amount count when determining whether my annual retirement allowance on June 30, 2022, is not greater than \$30,000?

No.

I have a “split benefit” with service in Group I and Group II. Are my Group I and Group II benefits counted as two separate retirement allowances?

No. Eligibility for the additional allowance is based on the total retirement benefit paid to a split benefit annuitant.

I am paying a portion of my monthly retirement allowance to an ex-spouse due to a court-ordered divorce decree. Is the portion of my pension being paid to my ex-spouse counted when determining whether my annual retirement allowance on June 30, 2022, is \$30,000 or less?

Yes.

I meet all of the above criteria and am receiving a second monthly benefit from my participation in the “Additional Contributions” program. Will I receive a second payment based on my Additional Contributions benefit?

No. HB 1535 refers only to the “retirement allowance.”

Note: The amount you receive as an Additional Contributions annuity is not counted when NHRS determines a retiree’s annual retirement allowance on June 30, 2022.

I retired after July 1, 2017. Do I get an allowance?

No.

The New Hampshire Retirement System (NHRS) is governed by New Hampshire RSA 100-A, rules, regulations, and Federal laws including the Internal Revenue Code. NHRS also implements policies adopted by the Board of Trustees. These laws, rules, regulations, and policies are subject to change. Even though the goal of NHRS is to provide information that is current, correct, and complete, NHRS does not make any representation or warranty as to the current applicability, accuracy, or completeness of any information provided. The information herein is intended to provide general information only, and should not be construed as a legal opinion or as legal advice. Members are encouraged to address specific questions regarding NHRS with an NHRS representative. In the event of any conflict between the information herein and the laws, rules, and regulations which govern NHRS, the laws, rules, and regulations shall prevail.