

NHRS Bill Brief: HB 110-FN

Prepared for the Senate Finance Committee

Summary: “AN ACT relative to the cost of fiscal analysis of legislation relating to the retirement system.”

Analysis: “This bill requires that the administrative and professional cost of the fiscal analysis of proposed legislation done by the retirement system be reimbursed from general funds not otherwise appropriated.”

Sponsors: Rep. Rogers, Merr. 28.

Background

This bill requires the state to reimburse NHRS from general funds for the cost of actuarial and other professional assessments of proposed legislation required by RSA 14:44 no later than 30 days after the adjournment of each legislative session.

Pursuant to RSA 14:44, IV, NHRS is specifically required to provide information in the form of a “Fiscal Note Worksheet (FNW)” to the Legislative Budget Assistant Office for all bills and joint resolutions with a fiscal impact relating to the retirement system. FNWs are prepared in the following instances:

- I. When draft legislation is introduced as a “Legislative Services Request (LSR).”
- II. When a legislative policy committee adopts an amendment to a bill and the bill, as amended, passes the respective full legislative body.
- III. When a bill is enacted by the House or the Senate and “crosses over” to the other chamber.

NHRS is not required to prepare fiscal analysis on draft legislation that has not been introduced as an LSR, or on proposed amendments not yet voted on by a policy committee.

In most cases, NHRS requires the services of its independent consulting actuary to determine the fiscal impact of proposed legislation. In some cases, NHRS may also have proposed legislation with a potential fiduciary impact reviewed by its independent auditor or outside legal counsel.

Financial Considerations

The fiscal impact of the bill is indeterminable because NHRS is not able to project the number of retirement-related bills that would be filed in a session, their level of complexity, or whether administrative or professional costs would be required to determine the fiscal impact. NHRS can, however, identify those costs incurred in prior legislative sessions:

2018 Session: \$46,600	2015 Session: \$45,700
2017 Session: \$22,200	2014 Session: \$50,800
2016 Session: \$12,500	2013 Session: \$12,400

These costs include the professional fees related to the cost analysis of proposed bills, most of which are actuarial costs. These costs do not include NHRS staff time or software implementation costs to implement enacted legislation.

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Note: The content provided above is for informational purposes; NHRS neither supports nor opposes this legislation.