

NHRS Legislative Committee Meeting  
December 4, 2017

**Note:** These public minutes from the December 4, 2017 Legislative Committee meeting were approved and executed at the January 24, 2018 Committee meeting.

**Legislative Committee  
of the  
NHRS Board of Trustees  
December 4, 2017**

**PUBLIC MINUTES**

**New Hampshire Retirement System  
54 Regional Drive  
Concord, NH**

*Committee Members:* Dick Gustafson, Ph.D., *Chair*; Germano Martins, present. Julia Griffin, *telephonically*.

*Staff:* George Lagos, *Executive Director*; Larry Johansen, *Director of Investments*; Tim Crutchfield, *Chief Legal Counsel*; Mark Cavanaugh, *Associate Counsel and Compliance Officer*; Carolyn Johnson, *Hearings Examiner*; Nancy Miller, *Director of Member Services*; Heather Fritzky, *Director of Finance*; and Marty Karlon, *Public Information Officer*.

Chairman Gustafson opened the meeting at 11:03 a.m.

On a motion by Trustee Martins, seconded by Trustee Griffin, the minutes of the June 13, 2017 Legislative Committee meeting were unanimously approved.

Update on Federal Legislation

Chairman Gustafson began the meeting by discussing the proposed federal tax reform legislation and specifically the UBIT provision in the House version of the bill. Mr. Lagos reported briefly that the various public plan associations have put all public plans on notice regarding their concerns about the possible implications if the UBIT provision is adopted. Mr. Crutchfield recently spoke to the Director of NCTR and confirmed that the national associations are still asking for individual plans to provide letters to their congressional delegations voicing their displeasure with the UBIT provision. Mr. Lagos added that the next likely step is that a letter will be drafted by staff and then shared with the Legislative Committee before sending it to the NH Congressional delegation in keeping with a resolution adopted by the Board in July 2016.

Status Report on 2017 Retained Bills

Mr. Karlon reported that there are 8 bills from 2017 that have been retained in Committee with 6 recommendations going to the full House and Senate for vote in January but typically those bills will be deemed inexpedient to legislate. Mr. Karlon explained that HB561, the retained working after retirement bill, is

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expected to be amended by the Senate ED&A Committee with Senator Carson introducing an amendment to the bill on December 5<sup>th</sup>, 2017 that will reflect the recommendations made by the Decennial Commission recently.

2018 Legislative Session Update

Mr. Karlon addressed the list of 2018 pending Legislative Service Requests (LSRs), as of 11/30/17 that are related to the Retirement System.

Mr. Lagos informed the Committee that in regard to the issue of the Judicial Retirement Plan, it may be revisited because the plan has a difficult funded status issue and an extremely high benefit structure. He did not know if it would result in legislation this coming year.

Decennial Commission Recommendations

Chairman Gustafson reported that the Decennial Commission should be coming to a close on Thursday, December 7, 2017. The Commission is waiting for the final report from the Boston College Center for Retirement Research. Chairman Gustafson further reported on the Decennial Commission's votes and actions on the issues that have been reviewed by the Commission.

The Committee then discussed the issue of layered amortization. Trustee Griffin replied that because of the time spent on becoming educated on this issue, the Committee should make a recommendation to the full Board. Following an extensive discussion on layered amortization, on a motion by Trustee Griffin, seconded by Chairman Gustafson, the Committee voted unanimously to recommend to the full Board that it endorse the concept of layered amortization.

On a motion Trustee Martins, seconded by Trustee Griffin, the meeting adjourned at approximately 12:16 p.m.

Respectfully submitted,

*Margaret M. Astles*