

Note: These minutes from the April 4, 2023, Legislative Committee meeting were approved at the August 4, 2023, meeting of the Legislative Committee.

**NHRS Legislative Committee of the Board of Trustees
April 4, 2023
PUBLIC MINUTES**

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

As the Committee members were participating electronically pursuant to RSA 100-A:14-a, all votes were by roll call pursuant to RSA 91-A.

Committee Members participating: Ken Merrifield, Chair, Jon Frederick, Joshua Quigley.

Other Trustees attending: Germano Martins (via videoconference).

Staff: Jan Goodwin, *Executive Director*; Marty Karlon, *Director of Communication and Legislative Affairs*; Tim Crutchfield, *Deputy Director and Chief Legal Counsel* (via videoconference); Mark Cavanaugh, *Associate Counsel and Compliance Officer* (via videoconference); Diana Crichton, *Hearings Examiner* (via videoconference); Marie Mullen, *Director of Finance* (via videoconference); Nancy Miller, *Director of Member Services* (via videoconference); John Laferriere, *Director of IT* (via videoconference); Raynald Leveque, *CIO* (via videoconference)

Chair Merrifield called the meeting to order at 3:02 p.m. Having established a quorum, Chair Merrifield called for a motion to accept the Committee minutes of January 6, 2023. On a motion by Trustee Frederick, seconded by Trustee Quigley, the Committee unanimously voted to approve the minutes, as presented.

Chair Merrifield opened the meeting and asked Mr. Karlon to provide updated information on 2023 legislative proposals.

Mr. Karlon reported that the House was expected to vote on House Bill 2 on April 6. This is the budget trailer bill and it had been amended to incorporate provisions of three NHRS-related bills: HB 50, which provides a one-time, \$50 million appropriation toward the unfunded liability in fiscal year 2023; HB 436, which restores many Group II benefits for members hired before 7/1/11 and not vested by 1/1/12; and, HB 571, which authorizes a one-time payment to a retired Group II member or beneficiary retired more than 10 years.

The House also is expected to vote on HB 250, which modifies NHRS accidental death benefits, he said.

Mr. Karlon reported on other bills that remain alive in the House or Senate:

HB 30, which allows county commissioners to exempt the county chief administrative officer from compulsory NHRS membership at the time of initial hiring or appointment, and HB 193, an NHRS-requested bill that makes various administrative changes, including clarification of the definition of teacher job share, references to the system's annual comprehensive financial report, and procedures related to the purchase of service credit are with the Senate ED&A Committee.

In addition, the Senate ED&A Committee has upcoming public hearings on: HB 278, which ratifies a provision of RSA 100-A regarding annual employer reporting of hours worked and compensation paid to retired members working part-time that was inadvertently repealed; HB 457, which requires NHRS to report on a quarterly basis to the office of legislative budget assistant regarding compliance with the duty to make all investment decisions solely in the interest of the participants and beneficiaries; and HB 461, which requires political subdivision employers to obtain an analysis from the retirement system and continue to pay retirement contributions when eliminating or transferring certain senior leadership positions from full-time to part-time.

HB 555, which requires the transfer of 75 percent of a state biennial surplus to the reduction in the retirement system's unfunded accrued liability, is with the Senate Finance Committee, Mr. Karlon said.

Finally, he mentioned HB 639, which NHRS is monitoring from a distance. This bill establishes procedures for the legalization, regulation, and taxation of cannabis and dedicates a portion of state revenue generated through the sale of cannabis toward paying down the retirement system's unfunded actuarial accrued liability. The bill was reported favorably by the House Ways and Means Committee.

Under "other business," Mr. Karlon said the Board would be asked next week to certify the actuarial costs associated with HB 1587 – a bill passed last year that modified the average final compensation for certain Group II members – in order for the Director of Finance to initiate a request for reimbursement from the state. He explained that the \$42.9 million cost was previously determined by GRS, the retirement system's independent actuary, and the vote would be ministerial in nature.

With no further business to discuss, on a motion by Trustee Frederick, seconded by Trustee Quigley, the Committee unanimously voted to adjourn the meeting.

1/6/23

Respectfully submitted,

Marty Karlon,
Director of Communication and Legislative Affairs