

Note: These minutes from the August 10, 2021, Legislative Committee meeting were approved at the December 14, 2021, meeting of the Legislative Committee.

**NHRS Legislative Committee of the Board of Trustees
August 10, 2021
PUBLIC MINUTES**

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

Committee Members participating: Trustees Scott Myers, Chair, Sue Hannan, Bob Maloney, and Scott Christensen (via videoconference).

Staff: Jan Goodwin, *Executive Director*, Tim Crutchfield, *Deputy Director and Chief Legal Counsel*; Mark Cavanaugh, *Associate Counsel and Compliance Officer*; Gerard Murphy, *Director of Finance*; Marty Karlon, *Director of Communication and Legislative Affairs*; Nancy Miller, *Director of Member Services*; Diana Crichton, *Hearings Examiner*.

Chair Myers called the meeting to order at 9:45 a.m. Having established a quorum, Chair Myers called for a motion to accept the Committee minutes of June 7, 2021. On a motion by Trustee Hannan, seconded by Trustee Maloney, the Committee unanimously voted to approve the minutes, as presented.

Chair Myers opened discussion on the annual review of the Committee charter. He said the charter was last revised in September 2019 and that staff had no suggested revisions. Committee members did not propose any changes.

Chair Myers opened discussion on proposed legislation drafted by staff that would allow NHRS to assess a penalty on a participating employer for not providing requested member information to NHRS in a timely manner, which also includes a mechanism for the employer to request a waiver for good cause. He explained that, if adopted by the Legislature, the Board would have to then delegate the authority to assess the penalty to staff. He referred to Mr. Crutchfield to provide further detail.

Mr. Crutchfield explained that NHRS has existing statutory authority to assess a penalty to employers for late or incorrect reporting of monthly contribution data and annual retiree data, however, there is no recourse for the Retirement System in other cases of delinquent reporting, such as member terminations or audit corrections. An extended delay in receipt of this information can result in an adverse impact for a retiree or former

member, including, but not limited to, finalization of pension benefits or the issuance of refunds. Pursuant to RSA 100-A:15 VII(d), the Board may seek legislation “in order to better serve the members of the system.”

Under the proposal, NHRS would have the discretionary authority to assess a penalty of \$25.00 per day to employers who do not provide requested information in a timely fashion. Mr. Crutchfield explained. The legislation also gives employers the opportunity to provide an explanation why they are unable to comply before any penalty is assessed. Both the proposed penalty amount and the compliance language are copied from the existing penalty language for retiree reporting in RSA 100-A:16 VII(b).

With the Committee having no further questions, Chair Myers then asked for a motion to recommend to the full Board that it support draft legislation prepared by staff establishing a penalty for employers who do not provide requested member or retiree information in a timely fashion. The motion was introduced by Trustee Maloney and seconded by Trustee Hannan. The Committee unanimously voted to approve the motion, as presented.

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

Respectfully submitted,

Marty Karlon,
Director of Communication and Legislative Affairs