

Note: These minutes from the August 4, 2023, Legislative Committee meeting were approved at the January 26, meeting of the Legislative Committee.

**NHRS Legislative Committee of the Board of Trustees
August 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, Andrew Martineau, Sue Hannan.

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).

Chair Merrifield called the meeting to order at 10:30 a.m. Having established a quorum, Chair Merrifield called for a motion to accept the Committee minutes of April 4, 2023. On a motion by Trustee Frederick, seconded by Trustee Hannan, the Committee unanimously voted to approve the minutes, as presented, with two abstentions.

Chair Merrifield opened the meeting and asked Mr. Karlon to provide a final update on 2023 legislation.

Mr. Karlon provided a synopsis of five bills that had been passed and signed into law:

- House Bill 30 allows county commissioners to exempt the county chief administrative officer from compulsory NHRS membership at the time of initial hiring or appointment.
- House Bill 193 made various changes to the administration of the NHRS, 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 military service credit while an active member.

- House Bill 278 ratified a provision of RSA 100-A regarding annual employer reporting of hours worked and compensation paid to retired members working part-time for participating employers that was inadvertently repealed. The bill was introduced to correct a recently identified drafting oversight and has no impact of past or future reporting of retiree information.
- House Bill 457 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. Mr. Karlon pointed out that this bill does not change the investment operations of the retirement system in any way; NHRS has always had a legal responsibility to make investment decisions solely in the interest of participants and will continue to do so.
- House Bill 2, the budget trailer bill, had several NHRS-related sections:
 - Sections 68-70 created a commission to study retirement benefits and retention of public employees and issue a report no later than December 1, 2023.
 - Sections 344-345 provides a one-time \$500 payment in Fiscal Year 2024 to qualified retirees and beneficiaries receiving a monthly benefit.
 - Sections 459-461 modified the effective date of the statutory pension recalculation for Group I (Employee and Teacher) members who retire on or after July 1, 2023.

Trustee Martins asked for clarification of whether the change to the Group I recalculation was at age 67 for all eligible members or tied to an individual's full Social Security Age. Mr. Karlon said the change defers the recalculation of a Group I retiree's NHRS benefit to his or her full retirement age under the federal Social Security system.

Trustee Merrifield asked if the reduction was tied to when a member began to collect Social Security. Mr. Karlon said there was no linkage.

Trustee Merrifield then asked Mr. Karlon to report on the Retirement Benefits Commission created in HB 2. Mr. Karlon said the Commission held an organizational meeting yesterday, which he and Executive Director Goodwin attended. After electing a chair, Rep. Carol McGuire, who was not at the meeting, the Commission had to adjourn due to the lack of a presiding officer, so there was nothing to report.

The Committee then proceeded with the annual review of its charter. Trustee Merrifield suggest that the charter should be amended to make note of the commission's ability to meet telephonically allowed under RSA 100-A:14-a. Mr. Crutchfield said that was an excellent idea and noted that he would be suggesting the same change to the other Board committees.

On a motion by Trustee Hannan, seconded by Trustee Frederick, the committee unanimously voted to recommend the charter change to the Board of Trustees.

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

Respectfully submitted,

Marty Karlon,
Director of Communication and Legislative Affairs