

Note: These minutes from the November 2, 2018 Public Session of the Legislative Committee meeting were approved and executed at the January 8, 2019 meeting.

**NHRS Legislative Committee
of the
Board of Trustees
November 2, 2018**

PUBLIC MINUTES

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

Committee Member present: Trustee Michael Milligan. *Telephonically:* Trustees Scott Myers, *Chair*; and Richard Gustafson. Trustees Sue Hannan and Robert Maloney, *Absent*.

Staff: George Lagos, *Executive Director*; Mark Cavanaugh, *Associate Counsel and Compliance Officer*; Diana Crichton, *Hearings Examiner*; Tim Crutchfield, *Chief Legal Counsel*; Jack Dianis, *Interim Finance Director*; Tracy Horner, *Member Services Benefits Mgr.*; Larry Johansen, *Director of Investments*; Marty Karlon, *Public Information Officer*; Cecile Merrill, *Project Manager*; and Margaret Astles, *Executive Assistant*.

Chair Myers called the meeting to order at 2:01 p.m. Having established a quorum, he called for a motion to accept the October 9, 2018 Legislative Committee meeting minutes.

On a motion by Trustee Gustafson, seconded by Trustee Milligan, the Committee unanimously voted to approve the minutes of October 9, 2018, as presented.

PIO Officer Karlon began the discussion regarding Service Credit Purchase by explaining that NHRS staff is proposing that the Legislative Committee recommend to the Board of Trustees that it endorse legislation to apply the full actuarial cost method to the prior military service credit calculation, bringing it in line with most other service purchase types. Also, to change the statutory formula for calculating the cost of employer oversight, which currently assesses a greater share of the oversight cost to members than they would have contributed had they been properly enrolled. If this recommendation is accepted, staff will seek a sponsor to introduce 2019 legislation, pursuant to RSA 100-A:15, VII (d), which authorizes the Board to seek additional legislation, as the need arises.

Mr. Karlon noted that if the Committee and the Board supports the draft service credit legislation, he would reach out to legislators in both parties

to get legislation filed. The House period begins November 13 and runs through December 5, 2018. Mr. Karlon has not tested the proposal with legislators yet but is hoping to sit down with his contacts on the ED & A Committee to discuss this proposal with them.

Chair Myers noted that he broached the subject at NHMA and no one at NHMA meeting had any concerns with the Service Credit Purchase language proposal.

On a motion by Trustee Milligan, seconded by Trustee Gustafson, the Committee unanimously voted to recommend to the Board of Trustees the proposed Service Credit Purchase language for approval.

Trustee Milligan noted that it should be portrayed to the members as a measure to improve equitability especially since years ago, employer rates were significantly lower years than they are now. Mr. Karlon stated that if the proposed is approved by the Board, he would then reach out to the employer organizations to keep them informed. Chair Myers noted that he would arrange for Mr. Karlon to present the proposed Oversight Purchase language at the NHMA in December.

On a motion by Trustee Gustafson, seconded by Trustee Milligan, the Committee voted unanimously to adjourn the meeting.

Respectfully submitted,

Margaret M. Astles
Executive Assistant