



NH Retirement Security Coalition

Legislative Recap

February 2, 2018

A busy week for the NH Retirement Security Coalition. Several bills were heard by the NH House Executive Departments and Administration Committee:

HB1754: Establishing a state defined contribution retirement plan for state and political subdivision members of the retirement system.

What the bill does:

- Creates a Defined Contribution retirement plan for all newly hired public employees beginning July 1, 2019.

Coalition Position = DEFEAT

- A Defined Contribution plan for New Hampshire's public employees is the WRONG decision. DC plans cost twice what Defined Benefit plans cost when providing equivalent benefits.
- Making this switch closes the current system and puts all active and retired members' benefits at risk. If no new money is going into the current system, how will benefits be paid properly?

Only 3 people testified in favor of this bill, and all were Sponsors of the bill. Many members of the Coalition testified against this bill. Visit our website to checkout their testimony.

HB1757: Relative to the reduction in the calculation of state retirement system annuities at age 65

What the bill does:

- Connects the 10% reduction in benefit at age 65 for Group I members to their Social Security eligibility age.
- Right now, everyone's pension is reduced at age 65 whether you are eligible for social security or not. This will would connect the 10% reduction to the same year Group I members are eligible to receive Social Security.

Coalition Position = SUPPORT

- Members of the Coalition testified in favor of this bill. While, the Coalition believes a full elimination of the reduction is best solution, this is a step in the right direction.

HB1603: Relative to employee representation on the independent investment committee in the New Hampshire retirement system.

What the bill does:

- Would add a member of the NH Retirement System to the current Independent Investment Committee of the NH Retirement System. This member would have to meet the same standards of financial background and experience as the other members of the committee.

Coalition Position = SUPPORT

- Members of the Coalition testified in favor of this bill because research shows beneficiaries engage in more successful oversight of pension plans.
- The reason for this higher engagement and success for beneficiary members, is because they have skin in the game.
- Given that the Independent Investment Committee oversees investing and diversifying pension assets (i.e. benefit monies) it would be important to have member representation on this committee.

HB1427: Relative to membership in the retirement system for certain officials

What the bill does:

- Would allow certain cities and towns to allow their Superintendent to opt-out of joining the NH Retirement System
- Representative Freeman, sponsor of the bill

Coalition Position = DEFEAT

- Members of the Coalition signed in against this bill because it could open the door to allow other groups of employees to opt-out of the NHRS.
 - The goal of the NHRSC is protect the viability and solvency of the NH Retirement System.

Next Steps

- All of these bills will be in a Sub-committee work session on February 8, 2018 at 1:00 pm or following the conclusion of the House Session in LOB Rm 306.

Other action at the Legislature this week:

HB561: Relative to part-time employment of a retirement system retiree by a participating employer.

- Defeated by Senate Finance 4-2
- Will head back to the Senate Floor during their Session day for a final vote

HB413: Relative to payment by the state of a portion of retirement system contributions of political subdivision employers.

- Is up for reconsideration by the NH House this week
- This bill would reinstate a portion of the State's subsidy for retirement costs and effectively lower property tax rates.

The NH Retirement Security Coalition is made up of the following employee organizations:

- American Federation of State County and Municipal Employees Council 93
- American Federation of Teachers – New Hampshire
- National Educators Association - New Hampshire
- New Hampshire Police Association
- New England Police Benevolent Association
- New Hampshire Retired Educators Association
- New Hampshire School Administrators Association
- New Hampshire Higher Education Union – a division of IBEW Local 2320
- New Hampshire Troopers Association
- Professional Fire Fighters of New Hampshire
- State Employees Association of New Hampshire - SEIU Local 1984
- Teamsters Local 633

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