



January 31, 2018

Carol McGuire, Chairperson
Executive Departments and Administration Committee
New Hampshire House of Representatives
The State House
Concord, NH 03301

RE: HB1603

Madam Chair and Esteemed Committee members:

My name is Stephen Arnold and I am the New Hampshire State Director of the New England Police Benevolent Association, representing nearly 1000 working Police Officers, Deputy Sheriffs, Fish and Game Officers, Liquor Enforcement Investigators and Probation and Parole Officers. I am a retired Portsmouth Police Detective, Past President of the NH Police Association and a Past Trustee of the NH Retirement System representing Group II members.

I write to you in favor of this Bill with some modifications for your consideration. Let me begin by stating that I and many of my constituents and members support the appointment of a stakeholder of the pension fund to the Independent Investment Committee. My research has shown NH to be the only retirement system in the country to not have member representation concerning fiduciary matters. It is extremely important and most appropriate to have decision makers who have "skin in the game" rather than people who simply are playing the markets who, when things go bad, can simply walk away with no loss to themselves.

Furthermore, I would ask that the committee change the criteria for appointment purposes. The way the Bill is written mirrors the appointment of a NHRS Trustee. Speaking on behalf of Law Enforcement, there are many entities other than the NH Police Association representing police officers. I believe that nominations should be accepted from qualified law enforcement members, past and present, for consideration. Currently there are many associations and unions representing all facets of NH Law Enforcement, some of these include the NH Police Association, the Association of NH Chiefs of Police, The NH Sheriff's Association, the NH Troopers Association, the NE Police Benevolent Association as well as many other labor organizations. To limit

appointments from one group only is biased and may not attract the most qualified person to serve.

Additionally, retired members are stakeholders as much as the active duty people. As you know, when a Trustee retires from their job, they are forced to resign their seat on the NHRS Board of Trustees. This applies to both Group I and Group II members. The ability to appoint a retired person to the Independent Investment Committee would attract experienced former members and Trustees to serve, hence adding a highly qualified stakeholder to committee, that would require minimal preparation and the understanding of the system. I believe, and I would hope the committee would concur, that the State would be in search of the highest quality candidates for appointment consideration, rather than limiting the pool to chose from.

Thank you for your consideration.

Very truly yours,

Stephen J. Arnold, Sr., NH State Director
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