



PROFESSIONAL FIRE FIGHTERS

O F N E W H A M P S H I R E

House Executive Departments and Administration Committee
Legislative Office Building
33 N. State Street
Concord, NH 03301

RE: Testimony in opposition of HB581, *establishing a state retirement plan group for new state employee members of the retirement system.*

Dear Chair McGuire and Members of the Executive Departments and Administration Committee,

My name is Brian Ryll and I serve as the President of the Professional Fire Fighters of New Hampshire. The Professional Fire Fighters of New Hampshire is a state association representing 42 local unions, and approximately 2,000 active and retired professional fire fighters and paramedics across the Granite State. As the preeminent firefighter organization in New Hampshire, we advocate for the health and wellness of the brave men and women that protect the citizens of this great state. I write to you today in opposition of HB581, establishing a state retirement plan group for new state employee members of the retirement system.

This proposal threatens to undermine the current pension system, divide employees into three different tiers, and further diminish what was once the state's greatest recruitment tool, the pension system. The introduction of a Group III defined contribution plan represents a fundamental shift away from the defined benefit model that has provided stability and security for public employees since 1967. Although in its current form, HB581 will not affect any Group II members, it appears as a trial balloon that would inevitably encompass all members of the defined benefit system, moving them into a less attractive defined contribution plan and further exacerbating the recruitment and retention crisis in our state.

Very few of our members are financial experts, and most have limited experience with managing an investment portfolio. A defined contribution plan places all investment risk on the employee, leaving their retirement security at the mercy of volatile markets.

The shift will also destabilize the existing pension system by diverting contributions away from Group I and II plans, further increasing the unfunded accrued actuarial liability. This would exacerbate financial strain on the current system, which is already designed to provide a predictable and reliable benefit for retirees who have dedicated their careers to serving our communities.



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If passed, HB581 creates unnecessary division among employees by introducing a third group into the New Hampshire Retirement System. Fragmenting the retirement system in this way creates inequity and discord among employees, as workers performing similar jobs would face drastically different retirement outcomes based solely on their hire date. A unified retirement system promotes cohesion and fairness across the workforce, fostering a sense of shared purpose.

Dividing employees into separate groups with different retirement plans undermines these principles and threatens morale and the recruitment within the public sector.

A strong pension system is one of the most effective tools for recruiting and retaining high-quality public employees, including firefighters, police officers, teachers, and other essential workers. Defined benefit plans provide a level of financial certainty and peace of mind that defined contribution plans simply cannot match. These benefits are particularly critical in professions that require long hours, physical demands, and exposure to significant risks. By replacing the defined benefit plan with a defined contribution model, this legislation diminishes the appeal of public service careers, making it harder for New Hampshire to attract and retain the talent our communities depend on.

The proposed Group III defined contribution plan represents a step backward for New Hampshire's public workforce. It jeopardizes the stability of our current pension system, creates unnecessary divisions among employees, and diminishes the state's ability to attract and retain skilled workers. I urge the committee to recommend inexpedient to legislate this and instead work toward strengthening the New Hampshire Retirement System's defined benefit plan to ensure it continues to provide the security and fairness our public employees deserve.

Respectfully Submitted,

Brian Ryll
President
Professional Fire Fighters of NH