

INTERPRETIVE RULING 2025-3

(March 24, 2025)

Representative Gregory G. Hill has asked the Legislative Ethics Committee to provide an interpretive ruling, addressing whether members of the General Court, who are themselves or have a household member who is a retired member of the New Hampshire Retirement System (“NHRS”), are required to recuse themselves from participation in official legislative activity pertaining to 2025 House Bill 536-FN, an act relative to a cost of living adjustment in the state retirement system.

The following facts were provided by Representative Hill. HB 536-FN would provide a cost-of-living adjustment (COLA) as a supplemental allowance to the retired members of the NHRS, or any of its predecessor systems, or a member’s beneficiary, who have been retired for at least 60 months as of July 1, 2025. The supplemental allowance would be 1-1/2% of the first \$50,000.00 of the retired member’s or beneficiaries’ annual retirement allowance.

Applying the facts as presented, the relevant statutes are:

- I. A legislator shall recuse themselves from participation in any official legislative activity pertaining to legislation when:
 - (a) The legislator has a conflict of interest with the subject of the legislation as defined in RSA 14-B:1, I; and
 - (b) The legislator or a member of the legislator’s household could reasonably be expected to incur a direct and substantial financial benefit or detriment as a result of the outcome of the legislative activity.

RSA 14-B:1, I, defines "Conflict of interest" to mean “the condition in which a legislator has a special interest in any matter which could directly or indirectly affect or influence the performance of the legislator's official activities.”

A special interest, in turn, is now defined as any financial or non-financial personal interest in the outcome of a matter that is the subject of official activity, distinct from and greater than the interests of the public at large. A financial interest exists where a legislator or household member could stand to gain or lose anything of material value as a result of the official activity.

In applying the facts as provided, the Committee interprets the statutory authority to provide that a legislator who is a retired member, or who has a household member, who is a retired member of the New Hampshire Retirement System, has a financial interest which should have been disclosed on the Financial Disclosure Form filed at the beginning of the legislative session.

If the retired legislator or family member would qualify for the proposed COLA, then the legislator could reasonably be expected to incur a direct and substantial financial benefit. Recusal would be required by RSA 14-C:4-a, I, and the legislator is required to refrain from participating in any legislative activities involving HB 536-FN.

If, however, the retired legislator or family member does not qualify for the COLA because of the length of their retirement, they would not be required to recuse as they would not be receiving a “direct and substantial financial benefit or detriment.” Although not required to recuse in those circumstances, verbal disclosure might still be required if the member intends to participate in verbal advocacy involving HB 536-FN.

The committee also notes that legislation is subject to amendment as it progresses through the legislative bodies. The above analysis is based upon the current proposal as presented to the Committee.

For the Committee,
Edward M. Gordon
Chairman

[Vote: 6-1]