



New Hampshire Senate  
**News Release**

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## **Senate Moves Forward with Affinity Card Legislation to Reduce Pension System Shortfalls**

*Fees and revenues will help lower property taxes by reducing NHRS unfunded liability*

Concord, NH - Legislation that would take a new approach to reducing New Hampshire's unfunded pension liability passed the Senate earlier today. The bill, authored by Sen. Nancy Stiles, R-Hampton, would authorize the state to establish a credit card affinity program and would direct the proceeds from the card to the retirement system for the specific purpose of improving the pension fund balance.

"Similar affinity card programs are used in states like Vermont and New Jersey, and they represent an innovative way of creating tax-free revenues for important state programs," said Stiles. "The cost of closing the \$4.6 billion unfunded liability in our pension system rests squarely on the backs of our state's public employers, which means it is being paid through higher property taxes in every community. As a state, we should be open to any solution that will address this problem, and I believe the affinity card program is one that will help us do so."

Senate Bill 339 would require the Commissioner of Administrative Services to contact financial services companies and potential customers to gauge their interest in partnering with the state on the affinity program. If interest is expressed, the Commissioner is authorized but not required to issue a request for proposal to move forward with the program.

"The New Hampshire Retirement System has 87,000 members relying on it for a secure retirement as well as 450 public employers asking us to make their pension rates more affordable," said Stiles, "I would imagine all of them would be interested in this program in order to strengthen the system and accomplish those objectives"

SB 339 passed the Senate on a voice vote and now moves to the House of Representatives for consideration.

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