Background Information on Selected State Retirement Systems

Prepared for the State Administration and Veterans' Affairs Interim Committee
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INTRODUCTION

This paper is intended to provide the members of the State Administration and Veterans' Affairs Interim Committee (SAVA) with only the most basic information on public employee retirement systems in several selected states. The information is intended to provide a basis upon which the members can build a broader and deeper understanding of the issues outlined and contemplated in House Joint Resolution No. 42 of the 59th Montana Legislature.

A smattering of national information is initially provided as prelude to the main body of the paper. The national information is intended to recognize that Montana is not all that different from her 49 sister states.

The remainder of the paper is composed primarily of seven "tables" outlining various facets of selected states' retirement systems. Montana is the first state referenced in each of the tables in order to provide a basis for comparison with the other states.

As the HJR 42 study progresses and develops, staff will attempt to provide information and, possibly, some answers to the myriad questions that SAVA members will have.

SELECTED STATES

The states of Montana, Idaho, North Dakota, South Dakota and Wyoming are the five states garnering primary consideration because it seems to be those states, except Montana, that legislators most frequently prefer Montana public policy, including public employee retirement policy, to be compared.

In tables 1 through 6, however, 12 other states are also included, in two somewhat amorphous groups. The first group includes the 8 states that border the four states that border Montana: Washington, Oregon, Nevada, Utah, Colorado, Nebraska, Iowa, and Minnesota.

The second group contains another four states that are as often as not considered part of the "western states": Alaska, California, Arizona, New Mexico.

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Unfortunately, the most current data that is readily available for the states is for 2003, usually *fiscal year* 2003 (July 1, 2002 - June 30, 2003). Consequently, most of the information in tables 1 through 6 is two years outdated and, for that reason alone, can be misleading.

The information in Table 7 focuses on the five main states, i.e., Montana, Idaho, Wyoming, and the Dakotas, and significant legislative changes to those states' respective retirement systems since the end of 2002.

NATIONAL PERSPECTIVE

Wilshire Associates Inc., a global investment technology, investment consulting, and investment management firm located in Santa Monica, California, has conducted a comprehensive survey of state retirement systems annually for the past 10 years. Wilshire has identified 125 separate state plans, 64 of which reported financial status after June 30, 2004 and the other 61 of which reported after June 30, 2003. Some significant findings from the 2005 survey[1] include:

- For the 64 state retirement systems that provided actuarial data for 2004, pension assets grew 14%, or $97.3 billion, from $681.7 billion in 2003 to $778.9 billion in 2004. For the same period, liabilities grew 6%, or $53.0 billion, from $889.4 billion to $942.3 billion. Rising asset values combined with continued growth in liabilities caused the 64 state pension plans to go from a $207.7 billion shortfall in 2003 to a $163.4 billion shortfall in 2004.

- Pension assets and liabilities for the 64 systems were $778.9 billion and $942.3 billion, respectively. The ratio of pension assets-to-liabilities, or *funding ratio*, for all 64 state pension plans was 83% in 2004, up from 77% for the same 64 plans in 2003.

- For the 109 state retirement systems that provided actuarial data for 2003, pension assets and liabilities were $1,600.4 billion and $1,976.0 billion, respectively. The funding ratio for all 109 state pension plans was 81% in 2003.

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[1] *2005 Wilshire Report on State Retirement Systems: Funding Levels and Asset Allocation*; Julia K. Bonafede, Steven J. Foresti, Benjamin J. Yang; Wilshire Associates, Inc., March 10, 2005.

- The asset shortfall for state pension plans is similar to that of city and county retirement systems. Wilshire estimates that as of June 30, 2003 city and county pension assets totaled $148.6 billion and pension liabilities totaled $179.2 billion, an aggregate funding ratio for city and county retirement systems of 83%.

- Of the 64 state retirement systems that provided actuarial data for 2004, 84% are underfunded. The average underfunded plan has a funding ratio of 77%. Comparatively, of the 109 state retirement systems that provided actuarial data for 2003, 94% were underfunded and the average underfunded plan had a funding ratio of 79%.

- Wilshire's findings indicate that the asset shortfall for state pension plans is worse than that of corporate pension plans. Wilshire estimates that as of December 31, 2003 defined benefit pension assets for S&P 500 companies totaled $1,031 billion, $123 billion less than pension liabilities of $1,154 billion, giving an aggregate funding ratio for corporate plans of 89%.

- On average, state pension portfolios have a 67% allocation to equities–including real estate and private equity–and a 33% allocation to fixed income. The 67% equity allocation is higher than the 65% equity allocation in the prior year. The increasing equity allocation suggests that state pension funds remain committed to stocks.

- Asset allocation varies widely by retirement system. Twenty-six of 125 retirement systems have allocations to equity that equal or exceed 75%, and six systems have equity allocations below 50%. The 25th and 75th percentile range for equity allocation is 63% to 74%.

- Wilshire forecasts a long-term return on state pension assets of 7.5% annually, which is 0.5 percentage points below the average actuarial interest rate assumption of 8.0% for state retirement systems.

- Based on Wilshire's forecasts, only 15 of the 125 state retirement systems, or 12%, are expected to earn long-term asset returns that equal or exceed their actuarial interest rate assumption. This is up from the five state retirement systems that were expected to earn long term returns that equaled or exceeded their actuarial interest rate assumption in Wilshire's 2004 report.

- Wilshire's analysis shows that overfunded state plans have approximately the same asset allocation pattern as underfunded plans. Statistically, Wilshire found no correlation between the allocation to equity and plan funding ratio and concluded that state retirement systems have a broad spectrum of asset allocations that is unrelated to the size of their respective unfunded liabilities.

Table 1: State Comparisons--Funding Ratios

State	2003 Funding Ratio[2]
Montana	**75%**
Idaho	82
North Dakota	79
South Dakota	99
Wyoming	77
5-State Average	82
4-State Average	84
Washington	80
Oregon	94
Nevada	72
Utah	78
Colorado	69
Nebraska	79
Iowa	85
Minnesota	76
8-State Average	79
Alaska	82
California	92
Arizona	86
New Mexico	77
4-State Average	84
17-State Average	81
50-State Average[3]	74

2 2004 Wilshire Report., Appendix F, p. 20.

3 2005 Wilshire Report, p. 1.

Table 2: State Comparisons--Contribution Rates

State	2002 Employer Contribution Rate[4]	2002 Employee Contribution Rate[5]
Montana	**6.9% PERS; 7.47% TRS**	**6.9% PERS; 7.15% TRS**
Idaho	9.77%	5.86%
North Dakota	4.12% PERS; 7.75% TRF	4% PERS; 7.75% TRF
South Dakota	6.0%	6.0%
Wyoming	5.68%	5.57%
Washington	1.32% PERS; 0.15% TRS	0.65% PERS; 1.27% TRS
Oregon	11.82%	6.0%
Nevada	*18.75%*	*9.75%*
Utah	14.16	0.0%
Colorado	*10.04%*	*8.0%*
Nebraska	7.95%	7.25%
Iowa	5.75%	3.7%
Minnesota	11.43 PERA; 5.0% TRA	8.75/5.1% PERA; 5.0% TRA
Alaska	*6.77% PERS; 11.0% TRS*	*6.75% PERS; 8.65% TRA*
California	7.413% PERS; 10.225% TRS	5.0% PERS; 8.0% TRS
Arizona	2.0%	2.0%
New Mexico	16.59% PERA; 8.65% ERA	7.42% PERA 7.6% ERA

Shaded areas indicate that the employer pays the employee's share of retirement contribution.
NOTE: Retirement plan employees of Nevada, Colorado, and Alaska are not covered by Social Security.

[4] 2002 Comparative Study of Major Public Employee Retirement Systems, William Ford, Wisconsin Legislative Council, Chart III, pp. 18-19, December 2003.

[5] Ibid.

Table 3: State Comparisons--Vesting

State	2002 Vesting Period[6] (years)
Montana	**5 PERS; 5 TRS**
Idaho	5
North Dakota	3
South Dakota	3
Wyoming	4
Washington	5
Oregon	5
Nevada	5
Utah	4
Colorado	5
Nebraska	5
Iowa	4
Minnesota	3
Alaska	5 PERS; 8 TRS
California	5 PERS; 5 TRS
Arizona	Immediate
New Mexico	5 PERA; 5 TRA

[6] Ibid.

Table 4: State Comparisons--Eligibility to Retire

State	2002 Threshold			
	PERS[7]		Teachers[8]	
	Regular	Early	Regular	Early
Montana	**65/any; 60/5; any/ 30**	**50/5; any/25**	**60/5; any/25**	**50/5**
Idaho	65/5; R90	55/5	NA	NA
North Dakota	65/any; R85	55/3	65/3; R85	55/3
South Dakota	65/3; 55/R85	55/3	NA	NA
Wyoming	60/any; R85	50/4; any/25	NA	NA
Washington	65/5	55/20	65/5	55/20
Oregon	60/any; any/30	55	NA	NA
Nevada	65/any; 60/10; any/ 30	any/5	NA	NA
Utah	65/4; any/30	any/25; 60/20; 62/ 10	NA	NA
Colorado	65/5; 50/30; 55/R80	50/25; 55/20; 60/5	NA	NA
Nebraska	55	none	65/5; 55/R85	60/5;any/35; 55/R80
Iowa	65; 62/20/ R88	55/4	NA	NA
Minnesota	SS Normal; R 90	55/3	SS Normal; R90	55/3
Alaska	60/5; any/30	55/5	60/8; any/20	55/8
California	60/5	50/5	60/5	55/5; 50/30
Arizona	65; 62/10; R80	50/5	NA	NA
New Mexico	65/5 to 60/20; any/25	none	65/5; any/25; 60/R75	R75

There is typically a reduced benefit for early retirement.

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[7] Ibid. pp. 12 -13.

[8] Ibid.

Table 5A: State Comparisons--State Employee Benefit at Full Retirement

State	2002 PERS[9]		
	FAS	Formula	Limit
Montana	**3 HC**	**1.785%; 2% with at least 25 yrs. of service**	**none**
Idaho	3 1/2 HC	2.0%	100% FAS
North Dakota	3 H	2.0%	none
South Dakota	3 HC/10	1.625% (service before 7/1/02); 1.55% service after 7/1/02	none
Wyoming	3 HC	2.125% (1st 15 yrs.); 2.25% (added yrs.)	none
Washington	5 HC	2%	none
Oregon	3 H	1.67%	none
Nevada	*3 HC*	**2.67% for credit after 7/1/01*	*75% FAS*
Utah	3 H	2%	none
Colorado	*3 H*	*2.5%*	*100% FAS*
Nebraska	NA	Money purchase	none
Iowa	3 H	2% (1st 30 yrs.); 1% (next 5 yrs.)	65% FAS
Minnesota	5 HC	1.7%	none
Alaska	*5 HC*	**2% (1st 10 yrs.); 2.25% (2nd 10); 2.5% (added yrs.)*	*none*
California	1 H	2% at 60; 2.418% at 63	65 yr max
Arizona	3 HC/10	2.1% (1st 20 yrs.); 2.15% (next 5 yrs.); 2.2%	80% FAS
New Mexico	3 HC	3%	75% FAS

States in *italics*--NE, CO, AK--do not provide Social Security coverage for state employees.

[9] 2002 Comparative Study of Major Public Employee Retirement Systems, William Ford, Wisconsin Legislative Council, Chart IV, pp. 24-25, December 2003.

Table 5B: State Comparisons--Teacher Benefit at Full Retirement

State	2002 PERS[10]		
	FAS	Formula	Limit
Montana	**3 HC**	**1.67%**	**none**
Idaho	3 1/2 HC	2.0%	100% FAS
North Dakota	3 H	2.0%	none
South Dakota	3 HC/10	1.625% (service before 7/1/02); 1.55% service after 7/1/02	none
Wyoming	3 HC	2.125% (1st 15 yrs.); 2.25% (added yrs.)	none
Washington	5 HC	2%	none
Oregon	3 H	1.67%	none
Nevada	*3 HC*	**2.67% for credit after 7/1/01*	*75% FAS*
Utah	3 H	2%	none
Colorado	*3 H*	*2.5%*	*100% FAS*
Nebraska	3 HC	2%	none
Iowa	3 H	2% (1st 30 yrs.); 1% (next 5 yrs.)	65% FAS
Minnesota	5 HC	1.7%	100% FAS
Alaska	*3 H*	**2% (1st 20 yrs.); 2.5% (added yrs.)*	*none*
California	*3 HC*	**2% at 60; 2.4% at 63*	*100% FAS*
Arizona	3 HC/10	2.1% (1st 20 yrs.); 2.15% (next 5 yrs.); 2.2%	80% FAS
New Mexico	5 HC	2.35%	none

States in *italics*--NE, CO, AK, CA--do not provide Social Security coverage for teachers.

[10] 2002 Comparative Study of Major Public Employee Retirement Systems, William Ford, Wisconsin Legislative Council, Chart IV, pp. 24-25, December 2003.

Table 6: State Comparisons--Asset Allocation for PERS Funds

State	2003 PERS Asset Allocation (% of Total Assets)[11]							
	US Equity	Non-US Equity	US Bond	Non-US Bond	Real Estate	Private Equity	Other	Expected Return %
Montana	**48.8**	**8.4**	**37**	**0.0**	**0.3**	**5.6**	**0.0**	**7.12**
Idaho	43.40	25.80	27.00	1.20	0.50	2.10	0.00	7.27
North Dakota	40.80	15.60	29.20	4.80	5.10	4.50	0.00	7.24
South Dakota	46.70	16.90	26.10	0.00	6.20	4.10	0.00	7.45
Wyoming	43.60	12.20	44.20	0.00	0.00	0.00	0.00	6.65
5-State Avg	44.66	15.78	32.70	1.20	2.42	3.26	0.00	7.15
4-State Avg	43.63	17.63	31.63	1.50	2.95	2.68	0.00	7.15
Washington	33.30	14.40	28.50	0.00	9.40	14.40	0.00	7.87
Oregon	39.50	18.90	21.30	4.50	4.80	11.10	0.00	7.95
Nevada	33.40	10.20	39.00	9.30	7.20	0.90	0.00	6.86
Utah	37.50	16.90	23.80	5.70	9.60	6.50	0.00	7.50
Colorado	*47.80*	*13.20*	*12.50*	*3.00*	*11.20*	*11.10*	*1.20*	*8.04*
Nebraska	49.00	14.20	36.80	0.00	0.00	0.00	0.00	6.88
Iowa	29.70	15.40	41.80	1.00	6.00	6.10	0.00	7.04
Minnesota	47.70	14.40	24.00	0.00	0.00	13.90	0.00	7.89
8-State Avg	39.74	14.70	28.46	2.94	6.03	8.00	0.15	7.50
Alaska	*42.30*	*17.50*	*29.50*	*3.70*	*7.00*	*0.00*	*0.00*	*6.64*
California	40.60	19.10	23.70	3.50	8.00	5.10	0.00	7.50
Arizona	57.10	16.50	26.40	0.00	0.00	0.00	0.00	7.19
New Mexico	50.00	13.60	36.20	0.00	0.20	0.00	0.00	11.52
4-State Avg	47.50	16.68	28.95	1.80	3.80	1.28	0.00	8.21
17-State Avg	43.01	15.48	29.82	2.16	4.44	5.02	0.07	7.57
50-State Mean	42.71	13.31	33.61	1.21	4.16	4.68	0.32	7.17
50-State High	68.80	25.80	100.00	11.00	13.70	17.99	10.20	8.07
50-State Low	0.00	0.00	12.50	0.00	0.00	0.00	0.00	4.50
50-State Med.	43.50	14.40	31.10	0.00	3.09	3.90	0.00	7.18

States in *italics*--NE, CO, AK--do not provide Social Security coverage for state employees.

[11] *2003 Wilshire Report on State Retirement Systems: Funding Levels and Asset Allocation*; Wilshire Assoc., Inc.; March 12, 2004, pp. 21-22.

Table 7: State Comparisons--Significant Changes to Plans[12]

Montana

2002: NA

2003: HB 178 allowed retired teachers and other educational specialists to return to K-12 and certain educational institutions for one year without loss of retirement benefits from the Montana Teachers Retirement System. Restrictions include a school's demonstration that there was no other applicant for a vacancy or that no one else would accept an offer of employment. Employers must make employer contributions on the salary of the rehired person. The conditions must be met again for any subsequent year of employment.

2004: NA

2005: HB 104 generally revised provisions of the teachers' retirement system; clarified the provision for establishing a governmental excess benefit arrangement and eliminated the provision's contingent effective date; clarified provisions on the redeposit of contributions for membership service and on retirees returning to employment by striking relevant language in current code sections and recodified the language as new sections; provided for the option to purchase Montana University System Optional Retirement Program service; revised certain provisions governing the recalculation of benefits when a retired member returns to employment; provided for the reduction of retirement benefits in lieu of canceling the benefits in certain circumstances; clarified provisions on employee termination pay contributions. (From *Montana Legislative Review 2005*, Montana Legislative Services Division, Helena, MT, 2005.)

Idaho

2002: None

2003: None

2004: None

2005: S1006 amended section 59-1305, Idaho Code, to include investment committee members under the indemnity provision; authorized the Board to retain audit services; and modified and clarified actuarial requirements.[13]

S1005 amended section 59-1315, Idaho Code, to clarify the meaning of

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[12] Unless otherwise noted, all entries are from *Pensions and Retirement Plan Enactments in 2004 State Legislatures* (2002, 2003, 2004), compiled by Ron Snell, et al., National Conference of State Legislatures, Denver, CO.

[13] From Public Employee Retirement System of Idaho website, URL http://www.persi.state.id.us/html/generalinformation/statutes_rules.htm for 2002-2005 Legislation.

"prospective only application" of benefit enhancements, meaning that a member's PERSI Base Plan benefits are determined on the basis of the plan as it existed on the date of the member's last contribution as an active member.[14]

North Dakota

2002: None

2003: SB 2057 created a partial lump sum distribution option (PLSO) for members of the Teachers' Fund for Retirement eligible for an unreduced retirement annuity to provide a lump sum cash payment in exchange for a permanent monthly benefit reduction. Under the PLSO, a member makes a one time election at retirement to receive a lump sum payment equal to 12 times the amount of the Single Life Annuity payable at the same time the monthly retirement annuity begins. The monthly retirement option selected is actuarially reduced to reflect the partial lump sum payment. This option is not available to members who select the level income option, members receiving disability benefits, or to beneficiaries of deceased members.

SB 2056 adjusted the number of hours that retired teachers may return to service without losing retirement benefits to reflect the length of their annual contract: from 700 hours for all, changed to as many as 1,000 hours for those with a 12-month contract.

SB 2057 allows a participating employer [of a member of the Teachers' Fund for Retirement] to purchase up to three years of service credit on behalf of a member. The member must not be given the option of a service purchase and an equivalent amount in cash. To be eligible the member's age plus service credit must be equal to or greater than 77 or the member must be at least age 55 with three years of service credit.

2004: None

2005: HB 1069 allows for members retiring at or after their full retirement age to elect a Partial Lump Sum Option (PLSO). A retiring member may elect to take a partial lump sum distribution equal to 12 monthly payments of his/her Single Life/Normal retirement benefit. If this election is made, the member's monthly benefit would be permanently reduced. Members would still be permitted to choose one of the optional forms of payment for their continuing monthly benefit (e.g. Joint &Survivor or Term Certain Options). The amount of reduction in a member's monthly benefit will depend on the retiree's age. Most retirees who elect this option will still receive a monthly benefit equal to approximately 90% of the amount they would have received had they not elected this option. The PLSO would be eligible for roll over to IRA or other qualified plan. If not rolled over, PLSOs are taxed as ordinary income and are subject to automatic 20%

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[14] Ibid.

withholding. Because a PLSO will increase most members' taxable income significantly in the year it is paid, those members will pay federal income tax on the PLSO at a higher rate than usual. Members younger than 55 who elect a PLSO and do not roll it over are also subject to a 10% penalty tax under the IRS Section 72(t).This bill also removes the Five (5) Year Term Certain optional form of retirement benefit and replaces it with a 20 Year Term Certain option. Finally, this bill amends the way the 4% employee retirement contribution is paid into the Defined Benefit Main System.[15]

HB 1070 changes the final average salary calculation for the Highway Patrol Retirement System. For member's retiring effective August 1, 2005 and thereafter, the final average salary calculation will be the highest non-consecutive months in the last 120 months. Currently, the final average salary calculation is the highest consecutive months in the last 120 months. In addition, this bill provides that if the NDPERS board determines that the fund has obtained a total return on investments of 11.2% or higher for the fiscal year ending June 30, 2005, members who have a retirement effective date on or before June 1, 2005 will receive a one-time supplemental payment equal to 50% of their monthly benefit paid in January2006. If the return as of June 30, 2005 is less than 11.2%, then the return as of June30, 2006 will be evaluated. If this return is 11.2% or higher, members who have a retirement effective date on or before June 1, 2006 will receive the one-time supplemental payment equal to 50% of their monthly benefit paid in January 2007.The supplemental payment will be made in either year of the biennium, but not in both.

HB 1266 relates to returning to employment after retirement. Employees who retire at or after their full retirement age and who subsequently become employed with a different participating employer group may elect to permanently waive future participation in the retirement and retiree health credit plans in NDPERS and maintain retirement status. North Dakota state agencies are considered one employer group and any member retiring with one state agency and becoming reemployed with another state agency would not be eligible for the provisions of HB 1266. HB 1266 has an emergency clause and was effective immediately following the governor's signature.

South Dakota

2002: H.B. 1033 increased the multiplier in benefit formulas for members of the South Dakota Retirement System (for Class A credited service) for service after July 1, 2002, by 0.25 percent.

2003: None

2004: HB 1032 provided that, beginning July 1, 2004, for the purposes of calculating

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[15] From *Perspectives*, North Dakota Public Employees Retirement System, Bismark, ND; Spring 2005.

benefits from the SD Retirement System, compensation in a person's last quarter cannot exceed 115% of any previous quarter and the average compensation of the last four quarters cannot exceed 110% of any previous quarter. Termination pay will not be considered as compensation for SDRS purposes and no employer or member contributions will be required. Beginning July 1, 2004, the percentages mentioned above were reduced to 105%.

HB 1033 provided that for all South Dakota Retirement System members over the age of 55 who receive more than $2,000 in termination pay (annual leave, sick leave, contract buyouts, retirement incentives), the amount will be deposited in a Special Pay Plan and not considered compensation for SDRS or Social Security purposes. Federal taxes will be deferred. No retirement system contributions will be made from the termination pay and it will not count in the calculation of final average earnings. Members will receive tax advantages, and the retirement system will reduce its long-term obligations.

HB 1036 provided that a member's cost to purchase credited service will be based on compensation and the actuarially-determined rate for the member's age in order to cover the full cost of the increased benefit. The previous purchase provisions did not cover the cost of the additional benefits.

HB 1037 provided new provisions for benefits for retired members who are rehired in covered employment to prevent the accrual of additional benefits who cost must be shifted to the system and other employees. Those retired and rehired before July 1, 2004, will continue to accrue benefits under the former law. Under the new provisions, regular retirees may receive benefits but no COLAs during re-employment. Early retirees will receive no benefits during re-employment. In both cases, rehired members will be considered as new members, and in both cases, benefits will be recalculated at final retirement.

HB 1039 provided that a minimum of three years of contributory service will be required for a members to receive a regular or disability benefit. Previous law allowed a new member to purchase credited service to meet the three-year vesting requirement. That will no longer be allowed. A re-hired employee will not be eligible for a disability benefit without three additional years of contributory service after re-entry into SDRS, unless the disability is job-related.

2005: NA

<u>Wyoming</u>
2002: None

2003: Senate File 117 authorized the Wyoming Retirement System (WRS) Board to establish a special pay plan at its discretion. Such a plan is intended to convert accrued sick and vacation pay from compensation to a benefit, and thus avoid FICA taxes. Once implemented, participation in the plan would be mandatory for all state employees.

2004: None

2005: Senate File 0147 expands the coverage of those retirees subject to the rehired retiree statutes to include retirees working as contractors or retirees who are working for third party contractors hired by participating employers.

Senate File 0114 allows the participation of Probation and Parole agents in the Peace Officer pension system enacted in 2002. Other groups also petitioned the legislature for inclusion in the plan. As a result, the legislature appropriated $10,000 to hire an actuarial firm, which could establish criteria to follow for determining membership in the Peace Officer plan.

House Bills 310 and 311 dealt with Law Enforcement disability issues. One bill exempts "duty related" disability payments from the limitations imposed on earnings, while the other bill equalized the duty related disability benefit between the Warden and Patrol System and the Peace Officer Plan.

Senate File 0027 increased the employer contribution rate of the Judicial System to assure the continued actuarial health of that system. A study had indicated the contributions to that system were inadequate and the legislature responded.

HB 0155 is an adoption of the Uniform Management of Public Employee Retirement Systems act developed by the National Conference of Commissioners on Uniform State Laws. The legislature delayed the implementation of the bill until July 1, 2006 to allow for an analysis of each provision and a report by the Board on any changes to existing statutes needed to conform to the act.

Senate File 0148 and HB 0072 provided for an adjustment in the table of benefits for volunteer firemen and also further refined the definition of volunteer fire department by excluding fire departments of private companies whose volunteers solely consist of company employees.