The Public Broadcasting Service (PBS) has published the following," How States Have Tried To Close Their Pension Funding Gaps", dated October 23, 2018.

Teachers, firefighters, police and other government workers in states across America are facing a retirement crisis. Half of all states haven't saved enough to pay the benefits they promised through public pensions. The bill - now in the trillions - is starting to come due.

For more than a century, public workers accepted lower salaries on the promise of a safety net later in life. When their pension funds were flush with cash, some states cut back on payments. Then came the dot-com crash, the 2008 recession and state budget shortfalls, and those states suddenly found their pensions deep in the red.

The most common reason these things don't turn out so well is because the state didn't make the contributions. States instead put that money into more immediate budget concerns, such as education, he said.

As a result, some retirees are already seeing smaller monthly checks and current employees and new hires may see their pensions slashed further. Nationwide, public pensions are roughly 70 percent funded, falling below what national standards consider to be healthy. Only one state - Wisconsin - has a fully funded pension.

Public pensions are about a third funded in Kentucky, according to state annual reports in 2016 analyzed by Bloomberg - a yawning gap that led to large teacher protests in March 2018 and a controversial new pension law that is currently being challenged in the state supreme court. Kentucky is not alone: New Jersey, Illinois, and Connecticut are facing similar challenges, according to numbers by Pew and Bloomberg.

Since the recession, states have been scrambling to fix the problem - mostly by passing the shortfall on to their employees.

That usually means employees must contribute more toward their pensions and get fewer benefits. Since 2009, 35 states have passed legislation increasing what employees have to pay into their pension plan, according to research by the National Association of State Retirement Administrators, an organization that supports traditional pensions. This change affected both current and new employees in most situations.

More than half the states in the U.S. now require people to work longer or retire later before they can claim their benefit. For example, Colorado, which overhauled its pensions earlier this year, raised the retirement age for new hires after 2020 to 64 years, from 60 and 58 for state employees and teachers, respectively. Plans in several states have also reduced how much they pay in pensions by changing how the pension benefit is calculated.

It's more difficult to alter payouts for people who have already retired, since those benefits are usually legally protected. But some states have reduced what's called the cost of living adjustment paid to retirees, an annual increase that is supposed to shield payouts from inflation. In 2013, for example, Kentucky's largest public pension plan, with more than 350,000 members, suspended all cost of living adjustments until the system is 100 percent funded - a date that's still in question - or money is set aside by the state.

At least 13 states have passed laws committing to bridging the financial gap. Some are taking creative approaches, like funneling earnings from cigarette taxes or state-owned casinos into their pension funds.

In the past decade, government contributions to pensions have increased dramatically - by about 76 percent, according to the Urban Institute's Johnson, who made the calculation based on census data.

Oregon, for example, passed a law in 2018 that earmarked taxes on alcohol and marijuana and lottery revenues, among other things, to help bankroll pensions. Last year, New Jersey dedicated all earnings from the state lottery to the public pension fund, a move that will generate $1 billion per year, according to a recent report by the state's independent pensions commission.

A handful of states have moved away from the traditional pension model altogether, toward a 401(k)-style plan. States find such models attractive because it can be cheaper. They contribute less toward an employee's retirement fund, and the financial risk is also passed to the employee in a 401(k) plan - as are the investment decisions. For employees, the plans have no guarantee: a person can save up a lifetime of earnings for retirement, only to lose it all in a stock market crash.

The few states that have experimented with the switch have faced considerable backlash from public sector employees.

When the Oklahoma governor pushed for a 401(k)-pension plan in 2014, hundreds of teachers, firefighters, and other state employees took to the streets to rally against the proposed changes. Ultimately, new state employees would be moved to a 401(k) plan after November 2015. After Alaska switched to a 401(k) system in 2005, the state's public safety department said in recent report that prospective employees found jobs in other states more attractive because of the retirement benefits.