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UPDATE

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SOCIAL SECURITY NEWS

Social Security, Medicare Need Long-term Solutions

Although a strong economy has delayed the projected insolvency of Social Security and Medicare, both programs face long-term financial problems that should be solved as soon as possible, the Academy stated in an April 2 public response to the report of the Social Security and Medicare trustees, which pushed back the projected insolvency date for both programs.

The new report projects that the Social Security trust fund will be depleted in 2034, a two-year improvement over last year's 2032 projected insolvency. Medicare's hospital insurance program is projected to remain solvent until 2015, which represents a dramatic seven-year extension beyond last year's date of 2008.

"These projections show that the system's finances are benefiting from the strong national economy and improved tax revenues," stated Dwight Bartlett, senior health fellow of the Academy and former chief actuary of the Social Security Administration. "However, revenues and outgo must still be brought into long-term balance, and it would be better to take those steps sooner rather than later."

Bartlett urged lawmakers to resist the temptation to postpone action in light of the brighter financial picture. "The financial crisis has been delayed, not solved," he said. "The Academy urges Congress and President Clinton to take advantage of the current advantageous economic climate and enact reforms to keep Social Security and Medicare sound for the coming retirement of the baby boom generation."

On April 15, the Academy Social Insurance Committee followed up

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Contingencies Links to amazon.com

This month, *Contingencies* takes another giant step into cyberspace. A visit to our page on the Academy Web site (www.actuary.org/contin.htm) allows you to buy recommended books directly from amazon.com, with a percentage of the purchase price going back to *Contingencies*. Here's how it works:

1. Check out page 68 of the May/June 1999 10th anniversary issue. You'll find not only a capsule review of a current book, but also a list of recommended titles related to articles in the current and past issues. If something there piques your curiosity . . .

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2. Log on to the *Contingencies* Web page at www.actuary.org/contin.htm and look for the titles that turned you on. Click on the hyperlink and . . .

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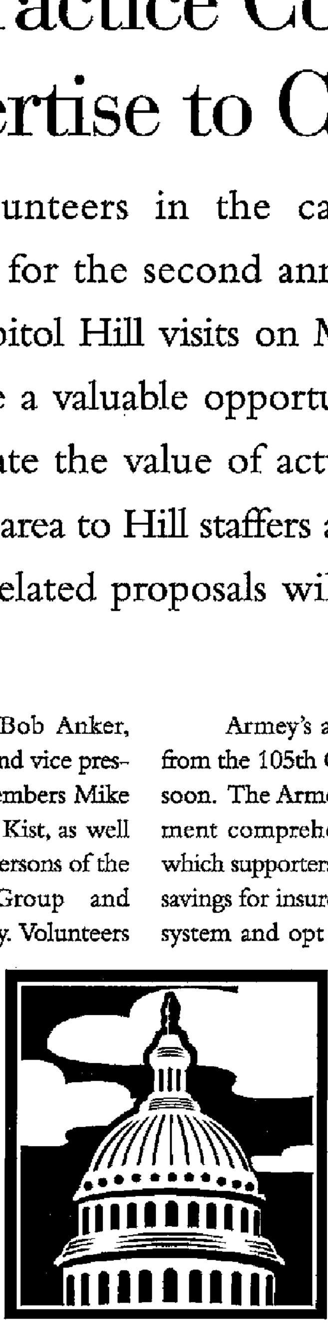
4. Either way, everybody wins.

So next time you feel the urge to buy a book, particularly one you read about in *Contingencies*, buy it from amazon.com through the *Contingencies* Web page. And if you happen to read one you think the rest of us might enjoy, write a short review and we'll include it on the Book Links page of the magazine.

Casualty Practice Council Takes Expertise to Capitol Hill

Academy volunteers in the casualty area came to Washington for the second annual Casualty Practice Council Capitol Hill visits on March 23. These visits proved to be a valuable opportunity for the Academy members to communicate the value of actuarial expertise in the property/casualty (P/C) area to Hill staffers as well as to learn first-hand which insurance-related proposals will be significant in the 106th Congress.

This effort was organized by Bob Anker, Casualty Practice Council chairperson and vice president. Anker was joined by council members Mike Toothman, Ralph Blanchard and Fred Kist, as well as Mike Miller and Wayne Fisher, chairpersons of the Automobile Insurance Working Group and Catastrophe Working Group, respectively. Volunteers met with a number of key congressional staff in various offices, such as House Majority Leader Dick Armey (R-Texas), Congressional Budget Office staff, Joint Economic Committee staff and minority staff on the Senate Committee on Environment and Public Works.



According to Anker, the opportunity for Hill staff to meet with property/casualty experts is of particular value. "Relatively little legislation on the Hill focuses on property/casualty contingencies, in part because P/C insurance is largely regulated at the state level. Hill staff dealing with P/C issues rarely have access to unbiased expertise on the proposals on which they are working. This makes Academy input all the more relevant. Our impact can be significant."

What can we expect to see on the Hill this year? The inside track seems to be that comprehensive Superfund reform is not in the cards, while auto choice (no-fault reform) and catastrophe insurance legislation may have significant momentum.

The chances for comprehensive reform to the Superfund program are remote at best. The Clinton administration opposed broad-based liability reform, while other Democrats are pushing less extensive reform packages, and many Republicans are unwilling to sign off on piecemeal legislation. Brownfields lie at the heart of this dispute. Brownfields, lightly contaminated urban industrial areas, are central to Democratic reform efforts. Many in the GOP also support brownfield cleanup measures (including limited liability relief), but they want to capitalize on the broad support for this type of cleanup to push a more comprehensive reform package. This impasse is likely to continue through the 106th Congress.

Armey's auto choice reform bill (H.R. 2021 from the 105th Congress) is likely to be reintroduced soon. The Armey plan would allow states to implement comprehensive no-fault insurance reforms, which supporters claim would translate into significant savings for insureds who leave the current tort-based system and opt for no-fault, first-party protection.

Majority staff informed the Academy that the issue brief on the bill published last summer, *Auto Choice Reform Proposals*, was particularly influential when the GOP worked on the redraft. With the technical areas that the Academy highlighted last year addressed, the bill could gain more broad-based support and could garner more impetus at the committee level.

At present there are two disaster insurance reform proposals on the Hill. One proposal, H.R. 21, the federal disaster reinsurance bill sponsored by Rep. Rick Lazio (R-N.Y.) already has significant industry support. The bill's supporters incorporated many of the Academy's suggestions in previous drafts of the bill, which passed the full House Banking Committee last Congress. The second and newer reform proposal would provide a tax deduction for an industry catastrophe reserve fund. This proposal, which is being championed by the Policy Holder Disaster Protection Coalition, is supported by the mutual United Services Automobile Association and could be combined with the catastrophe reserve fund proposal being considered by the National Association of Insurance Commissioners. The bill may have the backing of powerful members of Congress such as Armey and other key GOP leaders. While the Lazio bill still has momentum from last Congress, the catastrophe reserve plan may be more palatable to some Republicans, who see H.R. 21 as an industry bailout. The Academy plans to comment on both proposals.

Regardless of what the future holds for P/C related proposals this Congress, the Academy stands ready to assist Hill staff with actuarially sound insurance policy for the 21st century.

IN BRIEF

Wilder Named Director of Public Policy

Tom Wilder has been appointed director of public policy for the Academy. As director, he will coordinate the activities of Academy volunteers who provide independent actuarial expertise to federal and state policy-makers. Wilder joined the Academy in July 1998 as assistant director for health policy. Before joining the Academy, he worked at the Kansas Department of Insurance, serving as director of government and public affairs for three years.

A graduate of the University of Kansas, Wilder also holds a law degree from Washburn University in Topeka. "The Academy has developed a good reputation for its nonpartisan insight into important issues of public policy such as Social Security and Medicare reform and insurance regulation," Wilder said, "I am looking forward to working with volunteers to further these efforts."

• David Rivera has been appointed assistant director of public policy. Since joining the Academy in September [illegible], Rivera has served as legislative assistant, legislative/regulatory specialist and, most recently, pension policy analyst. He will continue to focus on pension issues in his new position.

A graduate of the University of Colorado, Rivera also spent time studying in Madrid. Of his new position, he said: "This will be a great opportunity for personal development, and hopefully my experience at the Academy will benefit Tom Wilder, director of public policy, as we develop a strategy to make the Academy a more effective public policy organization."

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Academy Files Amicus Brief

The Academy filed a friend-of-the-court brief regarding Sunbeam Corporation's New Coleman Holdings Inc. unit, as reported in the April 5 *Wall Street Journal*.

The federal appeals court in New York ruled that the unit is entitled to a nearly $14 million surplus in the old pension plan of Coleman Company, which it controls. The case drew attention because a lower-court judge awarded the money to plan participants. Coleman and others predicted that, if the ruling had been affirmed, companies would have responded by reducing their contributions to defined-benefit pension plans.

Lawyers for Coleman argued that the lower-court ruling would give a windfall to workers who only bargained for a fixed, defined payment and threatened to "disrupt the administration of ERISA plans generally."

The Academy stated that because the employer takes all the risk of investment, it should also reap some benefit. Academy General Counsel Lauren Bloom stated in the article: "You're not depriving the employees of anything. You're simply not giving them more than the defined plan." In addition, Bloom said, the lower court ruling went against established actuarial rules.

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Pension News

On March 11, Academy staff met with representatives from the offices of Sen. Judd Gregg (R-N.H.) and Rep. Charlie Stenholm's (D-Texas) to discuss Social Security reform compromise options.

• Academy members Dick Joss and Allen Gorrelick met with the General Accounting Office (GAO) on March 24 to discuss the Social Security Trustees' assumptions. GAO has been asked to comment on the reasonableness of these assumptions. The Academy agreed to serve as an informal adviser throughout the process.

• On March 31, Ron Gebhardtsbauer, Academy senior pension fellow, briefed approximately 60 Hill staff members on the various reform options for Social Security. Gebhardtsbauer spoke at a luncheon sponsored by the Senate-House Steering Committee on Retirement Security.

• On April 12 Academy staff members Rick Lawson, executive director; Tom Wilder, director of public policy; and David Rivera, assistant director of public policy, met with David Strauss, executive director of the Pension Benefit Guaranty Corporation (PBGC), to brief him on recent Academy activities, including a draft report that analyzes the PBGC's financial condition.

SOCIAL SECURITY, MEDICARE NEED LONG-TERM SOLUTIONS

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on Bartlett's statement with a more detailed evaluation of the report on the Old-Age, Survivor and Disability Insurance (OASDI) trust funds. The committee report, sent as a letter to all members of Congress by committee Chairperson Bruce Schobel, emphasized the following key points:

• *Social Security still faces long-term financial problems.* While default is not imminent, the OASDI system will have long-range financial difficulties under the trustees' best estimate assumptions. The improvements in this year's report are due largely to the strength of the U.S. economy. However, the fundamental demographic changes that are expected to cause long-term financial problems for Social Security have not changed.

• *2014 is a more critical date than 2034.* Currently, tax revenues going to Social Security exceed benefit payments. Beginning in 2014, outgo is expected to exceed tax income due to the rapid increase in the number of retiring "baby boomers" receiving benefits. To pay for benefits, the federal government will need additional funds from outside Social Security. Unless the government continues to run budget surpluses, it will either have to increase taxes, cut government spending or issue more bonds.

• *It's better to act sooner rather than later.* Early action to fix Social Security's financial problems would allow changes to be phased in and give workers time to adjust their retirement plans. A delay will limit the options for change and may make such changes more difficult.

• For the long term, the OASDI program is not in close actuarial balance. In other words, over the next 75 years the projected tax revenues of the system, combined with the current trust fund balances and projected interest earnings of the funds, are projected to be insufficient to meet expected benefit payments.

• Assuming action were taken this year, the combined employee-employer payroll tax contribution would have to be increased by 2.07 percent of pay to bring the OASDI Trust Fund into balance for the next 75 years. Achieving the same result without a tax increase would require an across-the-board benefit cut of about 13 percent for all current and future recipients. These numbers increase if action is delayed.

• The cost of the OASDI program is estimated to rise from its current level of 4.5 percent of the Gross Domestic Product (GDP) to about 7 percent by the end of the 75-year projection period.

The Academy letter saluted the trustees report as an exemplary document. "The Academy values the role that members of the actuarial profession have in preparing the report and in educating the public regarding the system's financial status," wrote Schobel. "While the experience of the OASDI program may deviate from the actuarial assumptions used in preparing the projections in the report, we believe it would be prudent for policy-makers to make adjustments to the program in response to the best estimates of future experience."

FROM A GUEST CHAIRPERSON — JACK M. TURNQUIST

Your Opportunity to Strengthen Actuarial Professional Ethics

Jack M. Turnquist

You have the opportunity, if you choose to exercise it, to play a significant role in shaping the ethical standards that will serve to guide the future of both the actuarial profession and yourself, as a member of that profession.

Included with this issue of the *Actuarial Update* is an exposure draft reflecting proposed revisions to the Code of Professional Conduct. This draft is being distributed to the members of each of the five U.S.-based actuarial organizations with the request that the members provide comments on the proposed revisions.

Accompanying the exposure draft is a supporting memorandum from the Joint Committee on the Code of Professional Conduct that provides the background of the current code, the reasons for revision, a summary of the proposed revisions and a description of the procedure for submitting comments on the exposure draft.

In order to comprehend more fully the nature of the proposed revisions, it is suggested that you review the accompanying memorandum along with the exposure draft and a copy of the current code as contained in the Academy's *1999 Yearbook*. (An annotated copy of the code, showing the differences among the current codes of the five U.S.-based actuarial organizations, appears in the *1997 Annual Report on Actuarial Professionalism*, distributed last year.)

By setting forth our ethical responsibilities to the public, the code serves as the cornerstone of our professionalism. By requiring adherence to applicable standards of qualification and practice, the code establishes a level of quality for actuarial services and work products that our publics may anticipate receiving. A current and uniform code applicable to all actuaries practicing in the U.S. is a necessary adjunct to the effective operation of the Actuarial Board for Counseling and Discipline.

To be truly effective, our profession's code must keep pace with the changing environment, appropriately address perceived needs and problems on a timely basis and remain consistent among our organizations. It is vital to have the active support and participation of the membership of the U.S. actuarial profession in establishing and maintaining the profession's ethical standards. The Joint Committee needs your help, not only in commenting on the proposed changes to the code, but also in identifying professional conduct issues that, based on your experience, you believe are either not covered by the current code or are in need of clarification, amplification or modification.

Following the exposure process, the Joint Committee will prepare a new draft of the revised code reflecting a careful consideration of each of the comments received. This revised draft will be presented to the boards of each of the five actuarial organizations. If there are substantive changes from the exposure draft, the Joint Committee will request a second exposure; if there are no substantive changes, the Joint Commitee will ask the boards to consider adopting the revised code. It is important that the code finally adopted appropriately reflects a consensus of the views of the members of the actuarial profession. Ultimately, it will be the boards of each of the actuarial organizations that will determine whether to adopt the revised code.

Remember, this is your Code of Professional Conduct and you are, and will continue to be, subject to its provisions. So, please, avail yourself of this opportunity to make your views known and help shape the future of your profession.

—Turnquist is chairperson of the Joint Committee on the Code of Professional Conduct.

Academy Welcomes New Members

Congratulations and welcome to the following individuals who have been accepted into the Academy from July 1998 through March 1999. New members are listed alphabetically by last name.

Michael A. Accardo
Paul V. Adamczyk
Al-Karim Alidina
Michele S. Arndt
Robert Bachler
Brett S. Bade
Keith C. Bailey
Bradley W. Bartle
Andrew S. Becker
Ken C. Beckman
Laura J. Beckman
Rex V. Belleza
Adam S. Berk
Daniel C. Berry
Arne R. T. Biggart
Acheampong Boamah
Mark E. Bohrer
Leah R. Bokovitz
Sherri Lynn Border
Roger W. Bovard
Charles M. Bremer
Roman Teodor Brewka
Paul-Andre Brisson
Douglas W. Brooks
Louis M. Brown
Kelly K. Brundin
Monica M. Buck
Paul E. Budde
Gary Loran Butzlaff
Kevin T. Cammarata
Michael A. Carlson
Teresa N. Carnazzo
Matthew R. Carrier
Frank H. Chechel
Alexander G. Chernavsky
Kitty Hsiao-Yuan Ching
Mee Young Choi
Julia Feng-Ming Chu
James P. Cleary
Dianne D. Clous
Eliezer C[illegible]
Peggy A. Coldwell
Olga Z. Coons
Sean Cooper
Clint L. Copeland
Sharon R. Corrigan
Loren R. Danielson
Mary Kat[illegible]e T. Dardis
Robert E. [illegible]vis
Timothy A. Davis
Brett W. Detels
Benjamin J. Diederich
Andrew J. Dierdorf
John C. Dougherty
Christine J. Drager
Colleen O'Malley Driscoll
Tammi B. Dulberger
Christopher M. Ebersole
Carolyn F. Edmunds
Mark Kelly Edmunds
John R. Emig
Jonathan Palmer Evans
Jui-Chuan Fan
Richard D. Fearrington
Yanjie Feng
Ethan S. Fish
Jeffery A. Fitch
Frederick J. Flores
Joanne E. Fontana
Sean Forbes
Beka Fox
Douglas B. Frederick
Douglas S. Freedman
Howard A. Friedberg
John J. Froehle
Mary B. Gaillard
John Philip Gardner
Joseph E. Gaworski
James F. Gerbic Jr.
Natasha C. Gonzalez
Jay C. Gotelaere
Bruce Gould
Lorna Dubner Gould
Thomas Graham
Andrew S. Greenhalgh
Brian Charles Grinnell
Richard Grossman
Rui Guo
Samuel Z. Haber
Jodie L. Hansen
David G. Hanson
Michael S. Harrington
William D. Harrington
Gary M. Harvey
Susan J. Heinzelman
Neville S. Henderson
Jonathan Mark Hendrickson
Amy L. Hicks
Glenn R. Hiltpold
Francine L. Hinkeldey
Tsochih Hong
John F. Huddleston
Naveed Irshad
Paul Ivanovskis
Hugh E. Jackson
Craig S. Jannino
Steeve Jean
Pei-Chuan Joh
Bryon R. Jones
Derek A. Jones
Jonathan E. Joss
Daniel R. Kamen
Mary Jo Kannon
David T. Kausch
Jeffrey S. Kay
Dean-Wei Ke
Bryan J. Kincaid
Steven V. Kirschner
Staci J. Kitchens
Ellen L. Kleinstuber
Jeffrey D. Koll
Jack D. Krull
Jeffrey Jerome Krygiel
Kirk L. Kutch
Anthony E. LaSala
Dawn Marie Lawson
Dennis H. Lawton
Borwen Lee
Carol A. Lee
Jason Lee
Li-Chiou Lee
Todd William Lehmann
N. Shane Leib
James P. Leise
Kerri D. Lemming
Brendan Michael Leonard
Rhonda L. Lessard
Taichen Li
Xiaoying Liang
Jeffrey B. Little
Tze Tak Lo
David J. Long
Robb W. Luck
Robert T. Lumia
Victoria S. Lusk
Gregory N. Malone
Richard J. Marcks
Janice Lynn Marks
Leslie A. Martin
Jason N. Masch
Gil Mathis
Susan Denise Maxwell
Jennifer F. M[illegible]n
Brian F. McDermott
Yves McGale
Phillip E. McKneely
Jeffrey G. McLane
Theresa McNamee
William A. Mendralla
Heath W. M[illegible]
Dimitry D. [illegible]dlin
Stephen D. Mirante
Zulfikar K. Mohamed
Timothy Brian Moran
Thomas O. Morey
Mark W. Mortensen
Kristie A. Muetzel
Michael N. Muldoon
Giovanni A. Muzzarelli
Jarow G. Myers
Mitsuyasu Nishiwaki
Jorge Manuel Noronha
Linda K. O'Brien
Leo Martin Orth Jr.
Charles K. Osei-Akoto
Keith D. Osinski
Lynne B. Pasi
Andrea Pass
Jeffrey G. Passmore
Rick S. Pawelski
Rosemary Catherine Peck
Julie A. Peper
Marjorie E. Pieper
Richard M. Pilotte
Curtis L. Powell
David P. Previte
Armand Principato
Tony C. H. Pui
Thomas Robert Pung
Kathryn Y. Qin
Andrew D. Rallis
Ricardo A. Ramotar
Christopher D. Randal
Paul W. Rangecroft
Leonard J. Reback
Brian S. Renshaw
Jay S. Rine
Debora A. Robare
Kathleen F. Robinson
Elizabeth C. Rogalin
Jean E. Roma
Emily Roman
Adam S. Rozman
Kristen A. Russell
Yves Saint-Loup
Linda R. Sandbo
Mark C. Santa
William R. Sarniak
Frances G. Sarrel
Karen J. Sasveld
Robert D. J. Scheiring
Kelly Ann Schivley
Laurie A. Schlenkermann
Michelle J. Schmieder
Nathan A. Schwartz
Melissa C. Schwarz
Peter Abraham Scourtis
Steven George Searle
Lyle S. Semchyshyn
Theresa Y. Seto
Jay Kenneth Severa
Parag S. Shah
Gregory C. Shane
Huidong Kevin Shang
A. Hoque Sharif
Molly J. Shaw
Eric C. Sherman
Meyer Shields
Andrew Perry Shull
Stuart H. Silverman
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Frederick W. Slater
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Jayme P. Stubitz
Linda-Marie C. Studley
Carol. Sullivan
Ira M. Summer
Eric L. Swan
Michael Szeto
Martha L. Tejera
Robert M. Thomas II
Andy K. Tran
Kris D. Troyer
Kyle A. Tschetter
James E. Tumlinson Jr.
Laura M. Turner
Steven J. Vercellini
Michael J. Villa
Kyle J. Vrieze
Robert J. Wa[illegible]
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Lihsiang Dian[illegible]ang
Jason Bo Yao
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Steven Bradley Zielke

Approved Provider Applications Available for CE Requirements

In January, the newly revised Qualification Standards for Prescribed Statements of Actuarial Opinion took effect as directed by the Academy's Board of Directors. Like earlier versions of the standards, the Qualification Standards require actuaries who issue prescribed statements of actuarial opinion, or PSAOs (statements of actuarial opinion that are issued for purposes of compliance with law or regulation, actuarial standards of practice or accounting requirements), to obtain basic education, experience and appropriate continuing education. The continuing education must average at least 12 hours per year over a two-year period. The Qualification Standards, like their predecessors, also require at least half of an actuary's continuing education to consist of "organized activities" such as meetings and seminars.

Unlike predecessor standards, however, the newly revised Qualification Standards provide for advance recognition of organized continuing education activities and the providers who offer them. The purpose of advance recognition is to give actuaries who issue PSAOs some assurance that continuing education activities meet the criteria for organized activities set forth in the Qualification Standards. Actuaries are not required to obtain continuing education only from providers that have been pre-approved. However, the Committee on Qualifications is hopeful that advance recognition of organized activities and providers of continuing education will make it easier for actuaries to comply with the Qualification Standards.

Individual continuing education sessions can be recognized as organized activities, and providers who offer continuing education opportunities can be recognized as "approved providers." The Committee on Qualifications anticipates that local actuarial clubs, actuarial consulting firms, government agencies, vendors and other providers of continuing education may wish to seek advance recognition as approved providers. Some providers of continuing education (the Academy, American Society of Pension Actuaries, Canadian Institute of Actuaries, Casualty Actuarial Society, Conference of Consulting Actuaries, Society of Actuaries and National Association of Insurance Commissioners) are already recognized as approved providers.

The criteria for advance recognition of organized activities and approved providers are set forth in Appendix 4 of the Qualification Standards. Copies of the Qualification Standards and application forms for advance recognition of organized activities and approved providers are available from the Academy office. Completed applications should be submitted to the Committee on Qualifications for review.

STANDARDS NEWS

ASB Appoints Burrows as Interim Director

Ed Burrows, 1998 recipient of the Jarvis Farley Service Award, will serve as interim director of the Actuarial Standards Board (ASB). Burrows currently serves on the Academy Pension Practice Council, Pension Committee, Social Insurance Committee and is in private practice in Boston. A former president of the American Society of Pension Actuaries, Burrows completed a six-year term on the ASB in 1996, and has been a strong supporter of the ASB and its work.

In his acceptance speech last October for the Farley Award, Burrows said: "I am very, very strong in my conviction that we must do whatever is necessary to convince our public, and in particular, the regulators, who look over our shoulders, that we have standards of competence, standards of integrity and the will to enforce both, and that if we can win that argument that things will go much better for the regulators, for our profession and for the people who are served by our profession."

CIA Calls for Papers on Retirement Issues

The Canadian Institute of Actuaries (CIA) is sponsoring a call for papers to encourage and expose new ideas for retirement benefit public policy debates, and provide a professional forum where the views of a variety of stakeholders can be heard. The audience will include actuaries, policy-makers, employers, human resource professionals, unions, academics and others interested in retirement policy.

This call for papers is addressed to all professionals interested and knowledgeable in retirement issues. It is not restricted to members of the CIA. Questions to consider are: What will retirement mean in the coming years and what will retirement benefits look like? Can public policy improve the current retirement picture? How could public policy prepare for the changes ahead?

Authors are encouraged to submit both original research and expository papers summarizing relevant material from the existing literature. Papers making the case for a particular policy position are welcome, but the case should be supported by evidence. Papers focusing on the perspectives of particular subgroups, such as plan sponsors, employees, small business, unions, retired persons or women, are also welcome. There is no minimum length requirement for papers. The deadline for submission is June 1.

Papers accepted will be published. It is also anticipated that the papers will form the basis for a conference, scheduled for May 1 – 2, 2000, in Toronto. Authors may be eligible for continuing education credits as specified by the Academy, American Society of Pension Actuaries, Canadian Institute of Actuaries and Conference of Consulting Actuaries.

For more information, contact Harry Panjer, Chief Referee, Papers, Symposium on Aging c/o University of Waterloo, Dept. of Statistics and Actuarial Science, Waterloo, Ontario N2L 3G1, Canada. Phone (519) 888-4472, fax (519) 746-1875, e-mail hpanjer@math.uwaterloo.ca.

Code of Professional Conduct Exposure Draft Enclosed

Enclosed with this issue of the *Actuarial Update* is an exposure draft of proposed revisions to the Code of Professional Conduct. The exposure draft was developed by the Joint Committee on the Code of Professional Conduct, a committee consisting of representatives from the five U.S.-based organizations representing actuaries and liaison representatives from actuarial organizations in Canada and Mexico. Exposure of the proposed revised code was authorized by the boards of directors of the five U.S.-based organizations representing actuaries.

The proposed revisions to the code are explained in the accompanying cover memorandum from the Joint Committee and in this month's guest editorial by Jack Turnquist, chairperson of the Joint Committee (see Page 2). Please carefully review the exposure draft and submit your comments to the Joint Committee by August 1. Thank you.

Professionalism Report for 1998 Enclosed

The *1998 Actuarial Professionalism Annual Reports*, which detail the past year's activities for the Academy Committee on Qualifications, Actuarial Standards Board and Actuarial Board for Counseling and Discipline, is enclosed with this issue of the *Actuarial Update*. This report, which is mailed to all actuaries, is designed to keep members of the profession up-to-date on the activities of these groups. Included in the report are financial statements, letters from the past year's chairpersons and plans for 1999. The Code of Professional Conduct is also included in the report, as is the charge or mission statement for each group.

Actuary Declared Second-Best Job for 1999

Actuaries have the second-best job in America, according to the 1999 edition of the *Jobs Rated Almanac* by Les Krantz. This job hunter's guidebook ranks the 250 most common jobs in order of desirability based on six criteria: income, stress, physical demands, potential growth, job security and work environment. In the four editions of the Almanac since 1988, "actuary" has twice been the number one job and twice, number two.

In its March 11 "Data Basics" column, the *Washington Post* ran an article titled "Dreams of On-Site Work," which referred to the fact that Web site manager was the number-one job. "The analysis draws on government data on wages, length of workday and hiring trends; the authors also crank in their own assessments of what the 250 jobs are like," wrote author Peter Behr.

The 1999 edition ranks the top 10 jobs as:

1. Web site manager
2. Actuary
3. Computer systems analyst
4. Software engineer
5. Mathematician
6. Computer programmer
7. Accountant
8. Industrial designer
9. Hospital administrator
10. Web developer

"The highest-ranked tech occupations, including computer systems analyst, software engineer and computer programmer, all had high scores in the income, prospects, environment and job security categories. But pressure goes along with some tech work, too. Web site managers ranked only as 52nd on the least stressed meter," Behr said.

The book is available online and at bookstores around the country.

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ENCLOSURES

In Search Of . . . ▪ Exposure draft: Proposed Revisions to the Code of Professional Conduct (with accompanying letter) ▪ 1998 Actuarial Professionalism Annual Reports