

## From the President New Challenges



Marshall McKenzie

The Legislative Session is over, with many changes made to the Louisiana State Employees' Retirement System (LASERS) plan for regular members. (See pages 2 and 5.)

I have heard many people express dismay at these changes made by the legislature. Such drastic revisions could have a serious impact on recruiting the "best and brightest" new employees into state government in the future.

This was Darlene Richard's first Session as RSEA's Executive Director and the Board and I applaud all her efforts on behalf of RSEA members specifically and LASERS retirees in general.

Congress is looking at possible rewrites to the Social Security law that could repeal the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). Each reduces SS benefits for eligibles who are also state employees. It is imperative that you make your wishes known to your congressional delegation. Send letters, faxes and e-mails. (See page 4.)

We installed Andrew Caillier as new President of the Acadiana Area organization. Previous President for many years was now-deceased Shine Domingue.

Be sure to vote in the LASERS election. One retiree Trustee position is open, which is currently held by Louis Quinn. Quinn and the other candidates are on the RSEA Board. (See page 5 for details.)

RSEA is working on a new membership campaign. Darlene has designed an attractive brochure to help in the recruitment effort. Details are to come.

Such are the challenges for the coming year. I look forward to working with all of you!

# The New Louisiana Voice

July--August--September, 2005

Volume 13/Number 3

## Caillier New Acadiana President

Andrew Caillier was recently installed as new President of the RSEA Acadiana chapter. Longtime former President was Shine Domingue, who passed away March 19, 2005.

Caillier began his state employment in 1970, starting in Acadia parish as a Welfare Visitor.

He retired from the Lafayette Regional Office of the Dept. of Social Services as a Social Services Specialist 3 at the beginning of 2001. He worked on a



Andrew Caillier

specialized caseload involving emotionally disturbed or developmentally disabled children up to age 18.

He graduated with a B.A. in Sociology from the University of Louisiana, Lafayette, in 1970, also having done extensive graduate work in Psychology.

"I have been married to the former Judy Paillet for 34 wonderful years. We have two daughters (Marian and Claire), two sons (Allen and Carl) and two beautiful granddaughters (Jasmine and Jillian)."

"My parents are Allen and Fabiloa Caillier. My father was employed by Southern Pacific railroad, retiring with 38 years service. My mother was a full-time housewife, caring for six daughters and four sons."

Caillier is a member of: the Louisiana District Attorneys Association; the Knights of Columbus (3rd Degree Knight) and serves as the Community Director; the FINS program, the Truancy Assessment Service Center Program, and The Inseparable Friends Society.

He currently is employed on a part-time basis with the local District Attorney's Office.

## State Treasurer Urges Credit Report Review



John N. Kennedy

State Treasurer John Kennedy is encouraging Louisiana citizens who have not yet obtained free copies of their credit reports to do so online and is offering a link to the reports from the

Treasury's website, located at [www.latreasury.com](http://www.latreasury.com).

"It's extremely important for citizens in our state to know their credit history, especially to correct any possible errors or update information on their credit reports," said Treasurer Kennedy.

"Banks and other businesses will use your credit report for a variety of reasons – if you are trying to rent an apartment, purchase a new car, or apply for a home mortgage."

A credit report is a detailed record of  
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# RSEA's 2005 Legislative Update



The 2005 Session of the Louisiana Legislature ended on June 23. During this forty-five legislative day session, RSEA monitored nineteen bills that were related to retirement issues and/or the Louisiana State Employees' Retirement System (LASERS).

In the April-May-June, 2005 edition of *The New Louisiana Voice*, there were four critical bills for which the Retired State Employees Association (RSEA) had taken a position of opposition. **All of these bills failed to pass.** A brief recap of these bills is as follows:

## HB 366 by Representative DeWitt

This bill would have provided current employees of the legislature, who are members of LASERS, an additional accrual benefit of ½ of 1% and would have raised the employee contribution rate from 7.5% to 9%.

In addition, the bill would have allowed legislative employees to convert up to three years of annual and sick leave to service credit for the purpose of attaining eligibility for retirement and calculation of benefits.

All of these special benefits for this small group of employees would not have been available to all rank and file members of LASERS.

## HB 457 by Representative Durand

This legislation would have provided special benefits for probation and parole officers in the Office of Adult Services of the Department of Public Safety and Corrections.

The bill would have increased the employee accrual benefits to 3% per year for all service credit received before January 1, 2002 and an accrual rate of 3 ½% for probation and parole officers hired on or after January 1, 2002.

This was a special interest bill that provided special benefits for a small group of employees and would have also increased the unfunded accrued liability of LASERS.

## SB 7 by Senator Boasso

This proposed legislation would have created one board of trustees (17 members) for both LASERS and the Teachers' Retirement System of Louisiana (TRSL).

RSEA opposed this bill because it would have reduced LASERS active employee representation from six members to one member and reduced LASERS retired employee representation from three members to one member. The bill would have also provided for a new benefit structure for persons hired on or after July 1, 2005.

## SB 305 by Senator Boasso

This bill would also have created one board of trustees with eleven members of both LASERS and TRSL.

In addition, the legislation would also have reduced LASERS active employee representation from six members to one active member and from three retired members to one retired member.

## One major piece of legislation that passed was Act 75 of 2005.

This legislation is one of the most significant retirement bills in years and toughens the retirement requirements for future state workers.

For persons hired on or after July 1, 2006 (general rank and file members only), this legislation requires that these employees must be at least 60 years old and have at least 10 years of service to collect a pension check. It also increases the employee contribution rate from 7.5% of their salary to 8%.

Another major change is that the calculation of retirement benefits will now be based upon an employee's five consecutive years of top pay instead of the three years now used for current members.

For a complete list of legislative bills monitored by RSEA, please go to our website at <http://www.rseala.org> or you may call our office (1-800-256-1818).

## State Treasurer Urges Credit Report Review

(Continued from page 1)

one's credit habits. It shows every time an individual applies for credit and when there are inquiries on a credit record.

Credit reports also show if bills are paid on time or if there are late fees, if a consumer maintains a balance or pays bills in full, and if someone has ever filed for bankruptcy.

Credit scores are important in determining how much an individual can borrow and the interest rate the individual can expect to pay.

Louisiana citizens can now access free copies of their credit reports from Equifax, Experian and TransUnion. The Fair and Accurate Credit Transactions Act allows consumers one free credit report from the three major credit bureaus each year. Prior to the new law, consumers had to pay if they wanted copies of their credit reports.

"While downloading your free credit report, also check out the Tomorrow's Money section on Treasury's website for tips on managing your credit and personal finances," said Treasurer Kennedy. "No matter where you are financially or what personal finance skills you have, Tomorrow's Money provides helpful information and tools you can use to prepare for a better financial future."

Consumers can access the Tomorrow's Money button from the Treasury home page for information about debt management, building up savings, and investing money.

Tomorrow's Money also tailors financial information for women, young people, Spanish-speaking Americans, and those who have suffered an unexpected change such as the loss of a spouse or job.

# Identity Theft Victims: Who You Gonna' Call?

(from the Federal Trade Commission's web site, [www.consumer.gov/idtheft/protect\\_againstidt.html](http://www.consumer.gov/idtheft/protect_againstidt.html))

The Fair Credit Reporting Act (FCRA) gives you specific rights when you are, or believe that you are, the victim of identity theft. Here is a brief summary of the rights designed to help you recover from identity theft.

**1. You have the right to ask that nationwide consumer reporting agencies place "fraud alerts" in your file** to let potential creditors and others know that you may be a victim of identity theft. A fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you. It also may delay your ability to obtain credit. You may place a fraud alert in your file by calling just one of the three nationwide consumer reporting agencies. As soon as that agency processes your fraud alert, it will notify the other two, which then also must place fraud alerts in your file.

EXPERIAN, (888) 397-3742 P. O. Box 2104, Allen, TX 75013-2104  
[www.experian.com](http://www.experian.com)

EQUIFAX, (800) 685-1111 (order report) (800) 525-6285 (report fraud)  
P. O. Box 740241, Atlanta, GA 30374-0241, [www.equifax.com](http://www.equifax.com)

TRANS UNION, (800) 888-4213 (request report), (800) 680-7289 (report fraud), P.O. Box 2000, Chester, PA 19022-2000, [www.transunion.com](http://www.transunion.com)

An initial fraud alert stays in your file for at least 90 days. An extended alert stays in your file for seven years. To place either of these alerts, a consumer reporting agency will require you to provide appropriate proof of your identity, which may include your Social Security number. If you ask for an extended alert, you will have to provide an *identity theft report*. An *identity theft report* includes a copy of a report you have filed with a federal, state, or local law enforcement agency, and additional information a consumer reporting agency may re-

quire you to submit. For more detailed information about the *identity theft report*, visit [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft).

**2. You have the right to free copies of the information in your file (your "file disclosure").** An initial fraud alert entitles you to a copy of all the information in your file at each of the three nationwide agencies, and an extended alert entitles you to two free file disclosures in a 12-month period following the placing of the alert. These additional disclosures may help you detect signs of fraud, for example, whether fraudulent accounts have been opened in your name or whether someone has reported a change in your address.

Since June 1, you have the right to a free copy of the information in your file at any consumer reporting agency, if you believe it has inaccurate information due to fraud, such as identity theft. You also have the ability to obtain additional free file disclosures under other provisions of the FCRA. See [www.ftc.gov/credit](http://www.ftc.gov/credit).

**3. You have the right to obtain documents relating to fraudulent transactions made or accounts opened using your personal information.** A creditor or other business must give you copies of applications and other business records relating to transactions and accounts that resulted from the theft of your identity, if you ask for them in writing. A business may ask you for proof of your identity, a police report, and an affidavit before giving you the documents. It also may specify an address for you to send your request. Under certain circumstances, a business can refuse to provide you with these documents. See [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft).

**4. You have the right to obtain information from a debt collector.** If you ask, a debt collector must provide you with certain information about the debt you believe was incurred in your name by an identity thief – like

the name of the creditor and the amount of the debt.

**5. If you believe information in your file results from identity theft, you have the right to ask that a consumer reporting agency block that information from your file.** An identity thief may run up bills in your name and not pay them. Information about the unpaid bills may appear on your consumer report. Should you decide to ask a consumer reporting agency to block the reporting of this information, you must identify the information to block, and provide the consumer reporting agency with proof of your identity and a copy of your *identity theft report*. The consumer reporting agency can refuse or cancel your request for a block if, for example, you don't provide the necessary documentation, or where the block results from an error or a material misrepresentation of fact made by you. If the agency declines or rescinds the block, it must notify you. Once a debt resulting from identity theft has been blocked, a person or business with notice of the block may not sell, transfer, or place the debt for collection.

**6. You also may prevent businesses from reporting information about you to consumer reporting agencies if you believe the information is a result of identity theft.** To do so, you must send your request to the address specified by the business that reports the information to the consumer reporting agency.

The business will expect you to identify what information you do not want reported and to provide an *identity theft report*. To learn more about identity theft and how to deal with its consequences, visit [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft), or write to the FTC. You may have additional rights under state law.

For details, visit [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft) or write: FTC, Consumer Response Center, Rm. 130-B, 600 Penn. Ave., N.W. Washington, D.C., 20580.

# Congress Considers Bills to Repeal WEP, GPO from Social Security Act

Four bills are currently in Congress to repeal the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO). The WEP reduces Social Security benefits for those eligibles who also have a public pension. The GPO does the same for Social Security benefits of a government employee whose spouse works in the private sector.

One bill, **H.R. 147, *The Social Security Fairness Act of 2005***, has 275 co-sponsors. They include Louisiana Representatives Rodney Alexander, Richard Baker, Charles Boustany, William Jefferson and Charles Melancon. The bill has been referred to the House Ways and Means Committee. (Note: Rep. Jim McCrery and William Jefferson are members of this committee.)

A companion bill in the Senate, **S. 619** (also called ***The Social Security Fairness Act of 2005***), addresses repeal of both the GPO and WEP. Among the bill's 21 co-sponsors are Louisiana Senators Mary Landrieu and David Vitter. This bill was referred to the Senate Committee on Finance in March.

## Subscription Service Now Active on RSEA Web Site

A new Subscription service is an added enhancement to the RSEA web site, <http://www.rseala.org>. RSEA management and the Board will use this service to inform subscribers about state legislative issues, federal legislation related to the WEP and GPO, new newsletters produced, and other topics important to members and other interested parties.

You can subscribe now by going to the RSEA home page (<http://www.rseala.org>), click on "e-subscribe" and complete the brief form. You will then be automatically notified when new information is available. RSEA will use collected e-mail addresses only for this purpose and will not sell them or otherwise give them to any third parties.

In a June 21 letter to RSEA President Marshall McKenzie, Rep. Baker pledged to resolve the problem this Congressional session. According to Rep. Baker's Press Secretary Mike DiResto, WEP and GPO account for a majority of their calls, letters, e-mails and faxes from constituents.

Another pair of bills to repeal the WEP and GPO, both entitled ***The Public Servant Retirement Protection Act of 2005*** are **H.R. 1714** with 29 co-sponsors and **S. 866** with one sponsor and no co-sponsors. They also have been referred respectively to the House Ways and Means Committee and Senate Committee on Finance.

### Here is How You Can Help

You can have an impact on passage of these bills by calling, writing, faxing or e-mailing your elected officials. E-mails are sent through their individual web sites. (See list in right column.) Ask them for full repeal of the WEP and GPO, and point out the unfairness of these provisions to public employees.

In addition, all Senators and Representatives can be reached by calling the Capitol Switchboard, 202-225-3121 or 202-224-3121 and asking for a particular member's office. (Not toll-free.)

You can follow bill progress by going to the Library of Congress site called Thomas. (<http://thomas.loc.gov/home/thomas.html>.) Type in the bill number for the updated status.

In addition, there are links to the House and Senate committee members. Each list is linked to member contact information for the House Ways and Means Committee (<http://waysandmeans.house.gov/members.asp>) and Senate Finance Committee (<http://finance.senate.gov/site/pages/committee.htm>). You should contact Committee Members by phone, fax, mail and e-mail and make your voice heard by our democratic system.

NOW is the time for you to take action!

## Louisiana Congressional Delegation

### United States Senate

Sen. Mary Landrieu  
724 Hart Senate Office Bldg.  
Washington, DC 20510  
(202) 224-5824; (202) 224-9735 fax  
<http://landrieu.senate.gov>

Sen. David Vitter  
516 Hart Senate Office Bldg.  
Washington, DC 20510  
(202) 224-4623; (202) 228-5061 fax  
<http://vitter.senate.gov>

### U.S. House of Representatives

1<sup>st</sup> District–Rep. Bobby Jindal  
1205 Longworth House Office Bldg.  
Washington, DC 20515  
(202) 225-3015; (202) 226-0386 fax  
<http://www.house.gov/jindal>

2<sup>nd</sup> District–Rep. William Jefferson  
2113 Rayburn House Office Bldg.  
Washington, DC 20515  
(202) 225-6636; (202) 225-1988 fax  
<http://www.house.gov/jefferson>

3<sup>rd</sup> District–Rep. Charlie Melancon  
404 Cannon House Office Bldg.  
Washington, DC 20515  
(202) 225-4031; (202) 226-3944 fax  
<http://www.house.gov/melancon>

4<sup>th</sup> District–Rep. James O. McCrery  
2104 Rayburn House Office Bldg.  
Washington, DC 20515  
(202) 225-2777; (202) 225-8039 fax  
<http://www.house.gov/mccrery>

5<sup>th</sup> District–Rep. Rodney Alexander  
316 Cannon House Office Bldg.  
Washington, DC 20515  
(202) 225-8490; (202) 225-5639 fax  
<http://www.house.gov/alexander>

6<sup>th</sup> District–Rep. Richard H. Baker  
341 Cannon House Office Bldg.  
Washington, DC 20515  
(202) 225-3901; (202) 225-7313 fax  
<http://www.house.gov/baker>

7<sup>th</sup> District–Rep. Charles W. Boustany, Jr.  
1117 Longworth House Office Bldg.  
Washington, DC 20515  
(202) 225-2031; (202) 225-5724 fax  
<http://www.house.gov/boustany>

# Trustee Election Begins on September 23

This is an election year for the Louisiana State Employees' Retirement System (LASERS) Board of Trustees. Balloting will begin on September 23<sup>rd</sup> and continue through 4:30 p.m. on Friday, October 28<sup>th</sup>.

LASERS retirees are eligible to vote for one of the candidates seeking the retiree seat on the Board of Trustees.

The candidates for the one retiree seat in this year's election are (in ballot order): Sona F. Young, Louis S. Quinn, and Benny G. Harris. (See far right column.)

Active LASERS members are eligible to vote for up to three candidates seeking an active seat on the Board of Trustees.

The candidates for the three available active seats are (in ballot order): Jannitta Antoine, Cheryl Turner, Michael L. Harris, Cynthia Bridges, Lorry S. Trotter, Anne Tillman, Virginia Burton, and Jules Nunn.

You will have the opportunity to vote one of three ways in this election:

- Mail (paper ballot)
- Telephone
- Internet

Please make sure that LASERS has your current mailing address. Visit LASERS' web site at [www.lasers.state.la.us](http://www.lasers.state.la.us) for more information, or call the Public Information Division at 225-925-7590.

## Act 75 Changes New Member Plan

**Act 75 of 2005**, formerly known as House Bill 311, initiates a significant change for new members of LASERS.

Rank-and-file members of LASERS who join state employment on or after **July 1, 2006**, will pay an employee contribution rate of 8 percent, up from 7.5 percent. Average compensation, a determining factor in the computation of retirement benefits, will be calculated based on the highest 60 months of successive employment, up from the current 36 months. These members will accrue retirement benefits at the current 2.5 percent.

The following member groups are not affected by Act 75:

- √ Correctional Officers, Security Personnel & Probation and Parole Officers (Dept. of Public Safety & Corrections).
- √ Wildlife Enforcement Agents (Dept. of Wildlife & Fisheries)
- √ Legislators; Clerk of the House of Representatives; President or Secretary of the Senate; Governor; Lt. Governor; State Treasurer

- √ Judges & Court Officers
- √ Bridge Police Employees of the Crescent City Connection (Dept. of Transportation & Development)

Act 75 also makes significant changes for active members regarding purchases of service credit, also known as "**Air Time.**"

Any active member of LASERS who applied to purchase service on or before June 30, 2005, may apply that purchase toward retirement eligibility and benefit computation.

However, if LASERS receives the application for the purchase of Air Time on or after July 1, 2005, the purchase of Air Time may not be used to reach eligibility for retirement and will apply only toward computation of retirement benefits once retirement eligibility has been met.

Remember, only active members are eligible to purchase service credit. You may not purchase service credit once you enter DROP, if you have

(Continued on Page 6)

(In Ballot Order)

### Sona Young-Retiree-Business Administrator-DOTD



Sona F. Young

#### Platform

- 1) Oppose merger with any other retirement system
- 2) Oppose special interest legislation
- 3) Listen to retirees to resolve any problems

### Louis Quinn-Retiree-Secretary-Public Service Commission



Louis S. Quinn

#### Platform

- 1) Oppose any legislation to remove investment decisions from LASERS members
- 2) Continue to support implementation of strategic investment policies designed to provide excess returns
- 3) Oppose special interest legislation

### Benny Harris-Retiree-Assistant Secretary-DPS & Corrections



Benny G. Harris

#### Platform

- 1) Support COLA increases that will offset health insurance premium increases
- 2) Oppose any legislative attempts to reduce benefits
- 3) Promote financial stability of LASERS

## Daily Beam New Feature

In other LASERS news, we are proud to introduce a new informational resource. The **LASERS Daily Beam** is a dynamic online outlet that keeps you up-to-date on all retirement-related news. Visit [www.lasers.state.la.us](http://www.lasers.state.la.us) and click on the "Daily Beam" button.

## Most Should Decline Part D

If you are eligible for Medicare, you will soon be receiving piles of information about Medicare Part D, a new federal program which goes into effect in 2006.

Medicare Part D creates an optional prescription drug benefit for seniors and others eligible for Medicare. Part D will be offered by multiple vendors in every part of the United States. Coverage may vary from vendor to vendor.

**Please understand that OGB will continue to offer its prescription drug program to its retirees.**

That is why OGB retirees are advised to **DECLINE** the Medicare Part D option. OGB retirees should be comfortable in the knowledge that:

1. OGB's drug program is equal to or better than the Medicare Part D plan.
2. The Medicare Part D drug option requires you to pay an additional premium, which is not yet set, but experts expect it to be in the range of \$35-\$45 per month.
3. In addition to the Medicare Part D premium, you will have copayments and deductibles to pay.

The only exception is for those OGB retirees whose incomes and assets put them near the Federal Poverty Level.

If your one-person household annual income is \$14,335 or less, or if your two-person household income is \$19,245 or less, you may qualify for extra help from Medicare.

Medicare Part D premiums will be waived, as will certain copayments and deductibles. You should call 1-800-MEDICARE to see if you qualify for this extra help.

Your mailbox will soon be filled with

Medicare Part D information from vendors, Medicare officials, and others. Some of this information will be technical and difficult to understand. You are welcome to call your OGB customer service office or your former agency human resources office for help.

Once again, your colleagues at OGB strongly advise you not to sign up and pay the additional premium for Medicare Part D.

*The only exception to this is for retirees with severely restricted incomes and assets who may qualify for special help.*

### Act 75 Changes LASERS' Plan for New Employees

(Continued from page 5)

completed DROP and are continuing to work, if you have retired, or if you are a rehired retiree. Other limitations may also apply.

It is important for you to contact LASERS if you have any questions regarding the purchase of service credit.

The current Form 2-7 "Application for Purchase of Service" under R.S. 11:429 will not be accepted after June 30, 2005.

#### The New Louisiana Voice

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Baton Rouge, LA 70806  
<http://www.rseala.org>



#### Retired State Employees Association of Louisiana The New Louisiana Voice

is the official RSEA publication. The mission of the Association is to enhance the quality of life of the men and women who have given generously of their talents to the State of Louisiana and are now retired. The name and distinctive logo of the publication are registered with the Louisiana Secretary of State. Permission is hereby granted for the use of any materials within these pages, provided proper acknowledgment is made.

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