

# BELLTEL RETIREE

The Official Newsletter of NYNEX and Bell Atlantic Retirees

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## ***HR 1322: Shaping Up to be a Battle of Retirees versus Corporations***

The very same companies that American retirees helped build and make successful have become the biggest enemy in the battle for retiree-friendly legislation. Executives of some of America's largest corporations have long been banded together in Washington, D.C. to lobby and fight against pro-worker and pro-retiree legislation. Now they have pointed their guns on your legislation, HR 1322.

It was Congressman John Tierney of Massachusetts who threw the first punch on behalf of America's retirees. Tierney authored the Emergency Retiree Health Benefits Protection Act of 2001, HR 1322, to fight for retiree rights. In response, corporations have now waged war against Tierney's bill.

It hasn't only been Verizon, but many corporations throughout the U.S. have been pulling the carpet out from under the feet of some 20-25 million retirees, reducing their vital medical benefits and forcing them into

financial insecurity. HR 1322 is intended to reverse the damage that is being done to retirees who have been losing their long promised health benefits. The bill would close a loophole in ERISA intended to prevent companies from reducing or eliminating promised retirement health benefits and to force those companies, like Verizon, that have already made these cuts to reinstate the benefits.

The ERISA Industry Committee (ERIC), a group representing many of America's largest employers, has written to members of Congress and begun an all-out assault, attacking HR 1322.



*Association President Bill Jones on visit to Capitol Hill to lobby for HR 1322*

Speaking on behalf of the 128 Fortune 200 companies that it is made up of, ERIC has written to Representative John Boehner, Chairman of the Committee on Education and the Workforce, and Representative George Miller, Ranking Member of the Committee, to condemn the legislation, claiming HR 1322 will create "a strong disincentive to the continued provision of retiree health coverage" and would

have a "chilling effect on sponsorship of many other benefits." It is using veiled

*(Continued on page 2)*

## ***Verizon Stuns Many with More Pension & Benefit Changes***

Verizon has begun communicating to employees that a new and controversial management retirement benefits program will take effect January 1, 2002. This announcement came from Chuck Lee and Ivan Seidenberg, Co-Chairmen of Verizon and will apply to management employees who currently participate in the Bell Atlantic or GTE management pension plans (GTE pension plan is currently protected from negative change through May of 2004). To quote the six page memo from the Co-Chairmen, "Without question, business goals have helped shape decisions reached in our new programs. Equally important, however, were the needs and concerns of former Bell Atlantic employees, former GTE employees, recently hired employees, longer-service employees and future employees - the

people who have made this company what it is, and who will assure our success in the future."

Verizon had initially stated in the announcement that all employees who leave through December 31, 2001 and retroactive back to April 1, 2001 would have the choice of their current pension plan or the new retirement program. Either plan carried a reduced medical coverage that would decrease from 95% to 80% phased-in over the next three years. The new retirement plan also decreases life insurance coverage from 1 times salary (at retirement) to a flat \$10,000. A lifetime dental cap of \$6,000 per family is also being imposed and the company is eliminating a special death benefit from a divestiture agreement. This special death benefit was set at the 1991 salary & bonus for for-

mer Bell Atlantic employees and the 1985 salary & bonus for former NYNEX management employees.

"By eliminating this special death benefit and reducing the life insurance coverage they are now taking money from our family beneficiaries," said Bob Brophy a former BellTel Board Member and active employee from Pennsylvania. He noted that on the positive side, in the new pension plan the corporation did move the "window" to the last five years of employment and the retirement age was restored to 55 (from the current 59). But on the negative, Verizon reduced the pension multiplier from 1.6% to 1.35%.

Overall, it seems these changes and reductions have caused a groundswell of opposition by management employees. Just a

*(Continued on page 9)*

# HR 1322: Retirees Vs. Corporations

(Continued from page 1)

threats and scare tactics to insinuate that this legislation would cause the collapse of the retiree pension and benefit system that exists in the country today.

In response, Congressman Tierney has refuted ERIC in a letter to Chairman Boehner and Representative Miller calling for early hearings on the bill and for ERIC to produce documentation of their claims. In his letter, Tierney states that, "ERIC's letter makes it clear that corporate America is either unwilling or incapable of coming to grips with the growing crisis of confidence in company-provided retiree health benefit programs." To date corporate lobbying groups like ERIC have been highly successful in keeping any member of the Republican Party from serving as a co-sponsor or supporter of the bill, although many have expressed an interest in this retiree-friendly legislation.

In her book *Pensions in Crisis*, Karen Ferguson, Director of the Washington, D.C. based Pension Rights Center, of which this Association is a member, discusses the efforts of corporations to oppose pro-retiree efforts and legislation.

One of the issues taken up is how often corporate America may use its unlimited resources to oppose legislation or regulation from Washington, D.C. through the creation of pseudo academic or good government think-tanks. With deep pockets to get

their message out, such groups can afford to produce and publish glossy academic-type reports, studies and data that are provided to key government leaders and the media, that ironically support the position of the corporations and help maintain the status quo.

When groups like the ERISA Industry Committee or the Employee Benefit Research Institute, publish studies or speak authoritatively in the media or at Congressional hearings, few ask "are they representing the good of employees, as their name might imply, industry professionals or corporate America?"

### Who do they represent?:

Ferguson points out that one of the groups supplying statistical data to Members of Congress, key government officials and the media is the Employee Benefit Research Institute (EBRI). EBRI is fully funded by corporations and its reports consistently indicate that problems in the private pension and benefit system are lessening while other independent studies show that is not the case. EBRI's figures lead key decision makers to a distorted view regarding private pensions to the benefit of business. It just so happens that EBRI trustees include representatives of 14 of the nation's largest corporations, 12 insurance companies and four banks.

Retirees must work harder and faster and push for the passage of HR 1322.

With corporate giants such as Du Pont, Amoco, AT&T and Boeing, it's not surprising that the figures in EBRI support industry tactics.

Through these vehicles and so many other resources in our nation's Capitol, corporations stand ready to be mobilized, on short notice, in order to defeat any measures that threaten their wealth. ERIC has a budget of over \$1 million and a staff to lobby full-time on pension issues. That means retirees must work harder and faster and push for the passage of HR 1322.

Ferguson states in her book that one of the most important factors to get a bill passed is the "willingness of wronged individuals to speak out against pension injustice. Despite the lopsided odds, courageous citizens have often carried the day." HR 1322 currently has 76 co-sponsors, all Democrats. Do Republicans support the needs of retirees or do they support the position of corporate executives? The industry may have money but we have votes. Members of Congress need to hear personal stories about the detrimental effects that retirement cuts are having on retirement savings and plans. Retirees need to be persistent and have their voices heard over those of corporations that are working to jeopardize the future for retirees.

## Congress Struggles With Technology/E-mail

It seems the U.S. Congress did not prepare itself too well for the information age. Due to the rapid spread of the use of e-mail as a new communication tool of choice for many, Congressional staffers are having a hard time keeping up with their inboxes. The number of e-mail messages sent from Americans to Congress last year reached 80 million messages. House offices get as many as 8,000 e-mail messages per month and some Senate offices receive as many as 55,000.

The overwhelming number of e-mails is attributed to outstanding issues, the ease of e-mail, and the efforts of grass roots organizations such as our own. On average

Congressional offices are taking three weeks to respond to e-mail and many do so by paper mail. The Congressional offices coping best with e-mail are replying within less than four days.

What does this mean for our retirees and the effort for passage of HR 1322? Association Government Relations Vice President, Joe Ristuccia, advises, "Keep those e-mails rolling. If you don't get a response in a satisfactory time period write again and again. Remember, that your Member of Congress is your Representative and should treat you accordingly, at the very least he should answer all your questions." But he adds, "As Congress is

still working out their e-mail communication kinks, you should also be duplicating your efforts by 1) Also sending your note via the U.S. Mail, which might get quicker attention, and 2) Following up with a phone call or personal visit to their constituent office - this is vital."

"Unless you demonstrate how important this legislation is to you personally, the Member of Congress will have to make a decision based on those who do reach out to them effectively - you take the chance that such a contact may be from a representative of big business opposing your legislation. Persistence is vital on Capitol Hill."

# The Facts of HR 1322

By now you have heard from many sources that HR 1322 is an important piece of legislation for some 20-25 million American retirees and that it would protect and help recover the health benefits promised by our employers in our working years. Now that employers are breaking those promises, we must act and get our families and friends to support us, and this bill.

Educating others about HR 1322 is important and many of you want to know more about the legislation to give you the ability to explain it to your friends, neighbors, family or even your Member of Congress to encourage their support. Please use the following summary and explanation of the major provisions of H.R. 1322 and feel free to make copies and pass it out.

## **What is H.R. 1322 & What is its Purpose?**

1. The bill is called the Emergency Retiree Health Benefits Protection Act of 2001, and is assigned the bill number H.R. 1322 in the 107th Congressional session. The term "Emergency" is used in the title of the bill because there is a national crisis in retiree health caused by post-retirement cancellations or reductions of retiree health benefits made by ERISA health plan sponsors. The term "Emergency" also is used in connection with the retiree health loan guarantee program established by the bill to signify the need to fund the program on an emergency basis and without being subject to the non-emergency restrictions imposed under the Balanced Budget and Emergency Deficit Control Act of 1985.

2. The bill amends the Employee Retirement Income Security Act of 1974, i.e., ERISA, the law which regulates both company health and pension plans, by adding a new Part 8 to Title I of ERISA, which deals with protection of employees' benefit rights. New Part 8 is entitled "Emergency Retiree Health Benefits Protections."

3. A new section 801 of ERISA is inserted by the bill, which contains a flat prohibition against a company making changes to its retiree health plan after a worker retires which would cause the retiree to receive less health benefits than the retiree was entitled to receive at the time she or he retired. The only exception is if the retiree consents to such a reduction. The purpose of this prohibition is

to assure that retirees are safeguarded against post-retirement reductions in their benefits that can cause or aggravate existing health problems or drain the financial resources they had counted on for retirement. A new section 802 of ERISA requires company health plans to incorporate an explicit provision, which bars such post-retirement reductions in retiree health benefits.

4. A new section 803 of ERISA would require every employer who sponsors a group health plan for its retirees, except those with less than 100 participants, to restore all retiree health benefits which were previously cancelled, decreased, or limited as a result of post-retirement changes initiated by the employer. Employers will be required to identify all prior post-retirement reductions in benefits and retirees are to be provided with a procedure whereby they can reclaim such benefits. The period for determining what benefits have to be restored is to commence not later than 1 year from enactment of the bill and end not earlier than 2 years from the date of enactment and is to be of no less than 60 days duration. All benefits required to be restored must be restored no later than 3 years from the date of enactment of the bill, or 3 years from the filing of an application for an exemption under new section 804, whichever comes later.

5. A new section 804 of ERISA provides an exemption procedure for employers who are unable to restore previously cancelled or reduced retiree health benefits because they would experience substantial business hardship. The exemption application must be made to the Secretary of Labor who is authorized to totally exempt or give a variance from the restoration requirement if it is determined that restoration would be a) adverse to the participants of the plan, b) is impractical, c) cannot be undertaken because the employer's business is unprofitable, d) would result in further benefits reductions or a decline in employment with the company, e) would threaten the continuation of the health plan. The Secretary of Labor is required to provide a procedure whereby retirees will be able to participate in proceedings to determine whether an exemption or variance should be granted. An employer is ineligible for an exemption from the restoration of health benefits require-

ments on grounds of substantial business hardship if, within 5 years preceding the application, the employer could have transferred surplus pension assets to the retiree health plan or could have provided cost-of-living benefit increases to retirees from a substantially over-funded pension plan but failed to take either of those steps.

6. A new Section 805 establishes an Emergency Retiree Health Loan Guarantee Program to enable employers who are obligated to restore retiree health benefits to obtain financial assistance from commercial lenders. The provision is patterned after other federal loan guarantee programs and sets up an Emergency Retiree Health Loan Guarantee Board to approve the issuance of such guarantees. The Board consists of the Secretary of Labor, who is the Chair, the Secretaries of Commerce, Treasury and Health & Human Services, and the Chair of the Council of Economic Advisors.

The loan guarantee program cannot guarantee more than \$5 billion in loans in the aggregate and no more than \$5 million to any single applicant. An employer applying for a loan guarantee has to show that credit cannot be obtained readily without a guarantee and that the employer has the earning capacity to repay the loan, has put up adequate security, has agreed to an audit by the General Accounting Office, and will be in a position to discharge its restoration of retiree health benefit obligations if a loan guarantee is approved. All loans guaranteed must be paid off by no later than December 31, 2008 and the Board must cease issuing guarantees by December 31, 2004.

7. Among miscellaneous provisions contained in the bill, a new section 806 would make it clear that the bill does not interfere with any legal claim for retiree health benefits that alleges violations of other ERISA requirements besides new Part 8, and that the bill does not authorize any new causes of action except those based on violations of the new requirements made by the bill. In addition, the civil enforcement provisions of ERISA are made applicable to violations of the bill's provisions and the Secretary of Labor is authorized to assess a penalty of not more than \$1,000 for each violation of the bill's prohibitions or requirements for the restoration of benefits.

## “Networking” HR 1322 To Non-Verizon Retirees

One retiree in New Jersey writes us about a method he believes could be very successful in boosting the success and community support of HR 1322. His plan is all about networking right under our own noses — at home and with our neighbors from outside the Bell System/Association of BellTel Retirees family.

Willy G. Goedeke, a retiree from NYNEX, advises that like many retirees he lives in a senior development community. The complex where Willy lives is in Toms River and has 2000 homes and its sister property, also a senior development next door, has almost 1000 additional homes. What a great territory for our Association and other concerned retiree groups to spread the message about the existence and need for HR 1322, the Emergency Retiree Health Benefits Protection Act of 2001.

Willy's point is, that in a single community with an amazing 3000 homes and more than likely, thousands of voters — all retirees — news and information about HR 1322 would be very welcome and people would be delighted to find out what they can do to protect their own rights. It also serves as a great location to build support that could extend to many of our local Members of Congress.

“Elected officials know that seniors and other retirees vote in very high numbers and could make or break their election or re-election. 2002 is a Congressional election year so many in elective office will be more attuned to the voice of the voters in the coming months,” said Joe Ristuccia, the Association's V.P. of Government Relations. “Retirees living in planned communities and members of clubs, church and social organizations should consider the clout they and their neighbors possess with that

Member of Congress and how that might translate to support of HR 1322.”

At Lake Ridge, the New Jersey complex where Willy Goedeke lives, residents have their own informal government structure, to help better meet the needs and concerns of all of the homeowners and residents. One of the committees is a Government Committee that serves as a vital link between town and government officials and community inhabitants. In other planned or senior communities there are other appropriate forums whereby information and opinions on important issues can be shared, discussed, debated and a course of action decided and acted upon.

Within his community, Willy and other retirees have brought the issue of HR 1322 to their Government Committee so that at its regularly scheduled meetings and in any newsletter or information handouts to residents, a presentation can be made, that hopefully committee members and residents could get behind, and they in turn could spread the word. He is calling upon the Committee to pass a formal resolution in support of HR 1322, a document that can then be sent to their Congressman and other local officials, urging them to support a piece of legislation that will aid thousands of their own constituents. In other communities or clubs, such action in support of HR 1322 might take the form of a petition calling upon the Member of Congress to become a co-sponsor of the bill.

“When an individual Member of Congress gets a petition or a resolution supported strongly by a single community or organization within his or her district where there are a possible 4,000-5,000 voters, or even only 200 constituents, especially in an election year, believe me it will make a dif-

ference,” added Joe Ristuccia.

Mr. Goedeke, said about his government committee, “I am working on getting that done at Lake Ridge, and I urge any of our members living in other senior developments to do the same. I felt this would be a good way to get the message out to non-Bell seniors to support the bill.”

Everyone in the Association should be thinking about this too. Do you belong to a club, or social group where you might help inform others about this important legislation and what it means to ALL RETIREES and the future of their health benefits? Do you live in a planned or retirement community, a condominium complex, that has a government committee or forum to share information on HR 1322? Would you be willing to take charge to start up such an effort, if it meant passage of HR 1322 and possible restoration of your health benefits to where they were upon your day of retirement?

We need you to help spread the word to seniors outside of the Bell System family. If our own company can and has taken away promised health benefits from us, don't you think it has also been happening to your other friends and neighbors retired from other companies in corporate America?

If you would like more information on HR 1322, The Emergency Health Benefits Protection Act of 2001, please visit the Association's web site at: [www.belltel-retirees.org](http://www.belltel-retirees.org) or visit the National Retiree Legislative Network site at [www.NRLN.org](http://www.NRLN.org) or you can call the Association's offices at (631) 367-3067. We will be happy to send copies of our newsletter or special legislative edition to you to be handed out to your neighbors. Just tell us how many you need and where to send them.

## NRLN Web Site in Washington, D.C.

The Washington, D.C. based National Retiree Legislative Network (NRLN), of which the Association is a founding member, has opened its web site and Washington, D.C. offices for business. The Network is interested in retirees from Bell Atlantic/Verizon and all of its member retiree organizations playing an active role in lobbying on the home

front for HR 1322.

Member organizations, in addition to BellTel Retirees, presently include: GM, Prudential, US West / Qwest, IEEE-USA, Western Union, SNET, and Johns Manville. Many other groups are expected to join shortly.

Visit the organization's web site to find out the latest on the Emergency Retiree Health Benefits Protection Act of 2001

and other vital pro and anti-retiree legislation: [www.NRLN.org](http://www.NRLN.org).

The NRLN can be contacted at:  
National Retiree Legislative  
Network, Inc.

1244 19th St. N.W., 4th Floor  
Washington, D.C. 20036  
Tel: 202-659-0620

**RETIREE SPOTLIGHT:****Joe Ristuccia Has Capitol Hill In Sight**

There is an old adage that goes — you become busier, with less free time in retirement, than you had in your so called “busy” working years. For many of us that is so very true and it leads to a good question, “where does all the time go?”

In his years working with the company, Association volunteer Joe Ristuccia dreamed of the day when he would be able to pursue interests including recreational sailing and offshore boat racing and getting very active in local community events.

Joe spent 32 of his company years with New York Telephone/ NYNEX, serving in various positions including Plant Operations and as Director of the Personnel Assessment Center. He was with AT&T in New York City for three years, splitting his time between all 23 operating companies as Supervisor of Backlog Projects. When Joe speaks of his time with the company it is with fond memories and passion in his voice.

Today Joe is pursuing some of those retirement dreams with equal passion and an incredible determination. As a member of a local boating club on Long Island, New York he participates in several boat races per year and has spent time traveling with his wife Ann. Joe also logs considerable hours serving as an elected member of his community school board, where he is finishing up his third term in office.

But there is one activity, with which he is deeply involved that Joe never dreamed of...serving as a retiree advocate fighting to protect and win back pension and benefit rights he earned in those years with the Bell System.

For workers and management in today's business environment, one individual spending 32 years with one business institution is virtually unheard of - but to those of us from the Bell System it was all part of our loyalty and commitment to Ma Bell. When you spend half of your life at one company it does become a second family, and with that goes the trust and respect extended to family members. Never did he expect that one day he would devote his retirement years fighting against his once trusted employer for retiree economic justice.

Six years ago Joe joined with a small group of NYNEX retirees who decided something should be done to seek to protect and represent retirees who had not been given an ad-hoc pension increase in more than half a decade. He recalled how each of the found-

ing members contributed a few hundred dollars each in “seed money” from their retirement savings to see if there was a real interest in retirees joining together to win back the benefits and pensions promised and to protect the common good of company retirees.

It seems the desire and need was there. “Six years ago we planted the seeds that sprouted and are still growing to become an important part of the national retiree advocacy movement,” says Ristuccia, who aside from being a founding member of the Association, serves as the group's Vice President of Government Relations. “We have plenty of reason to be proud of the giant accomplishments we are making for retirees, yet little desire to take a bow at this time. There is just too much still to be accomplished.”

Joe is referring to among other things the fight for HR 1322 on Capitol Hill. Ironically, as this article was being written, Joe was spending the day on Capitol Hill in meetings to help bolster the legislation and its support among Members of Congress. Joe oversees the legislative and litigation activities of the Association and helped formulate HR 1322, The Emergency Retiree Health Benefits Protection Act of 2001 with Congressman Tierney and his staff.

Long before the formulation of HR



*Association Govt. Affairs VP Joe Ristuccia out inspecting telephone poles in 104 degree temperature in the Australian outback.*

1322, Joe recalls that back in either 1995 or 96 there was a rider attached to a Congressional budget bill which would have allowed companies with over-funded pension plans, like our own former employer, to take those funds for their own use and replace our pensions with insurance company annuities. Retirees would have been left out in the cold. The legislation passed the Congress and Senate overwhelmingly, saved only by a Presidential veto. “Employers like Bell Atlantic were a Presidential veto away from the brass ring - allowing them to dip into our pension funds representing some \$35 billion dollars - at Bell Atlantic alone. Corporations had their big gun lobbyists pro-

*(Continued on page 7)*

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## Florida Proposed Site for 2002 Association Meeting

The Directors of the Association of BellTel Retirees have proposed exploring sites in the State of Florida to host the 2002 annual membership meeting.

As the 4th most populated state, in terms of retiree membership, the board decided to maintain its policy of geographically moving its annual meetings to communities where many of our members reside. More than 4,000 Association members reside in communities throughout Florida, with many more snowbirds relocating there for the colder months.

Are you a Florida resident or snowbird and would you like to serve on the 2002 meeting planning committee? If so we would value your input and participation. We need team members to help us identify potential locations that could hold a minimum of 100-150 of our retirees for a one hour social to be followed by a two hour business meeting. Locations on either the

East or West Coast of Florida would certainly be considered.

The Annual Meeting provides the membership, many of whom may not be in regular contact with other retirees, to hear about the Association's efforts, its progress and to voice their opinions to the Association Directors on issues this organization must address. It also serves to provide an opportunity for friends and former co-workers to get together, socialize and get reacquainted with others from their working days at the Bell companies.

The five previous Annual Meetings have been held starting in 1997 on Long Island and then respectively in Boston, Atlantic City, Syracuse, and once again this past year in Atlantic City. Generally, meeting attendance has been very strong, ranging from 250-450 retirees.

Do you live in a retirement community that has a large meeting room that might fit 150 or a greater number of retirees? Or are you a member of a church, fraternal or

social organization that has a clubhouse or meeting room that could serve the needs of our membership for a few hours. Or do you know of a local hotel with reasonably priced meeting facilities that might be close to public transportation and highways and to a large number of our Sunshine State retirees?

We need to hear from our retirees in Florida who want to be a part of the process of organizing our 6th Annual Association Meeting. We hope to create an executive planning committee to suggest and explore potential locations and to assist with planning and coordination of the meeting. You can help to make this year's meeting the best one yet.

If you would be interested in serving on a committee or helping out in any way, call the Association Headquarters at 631-367-3067, e-mail the office at [association@belltelretirees.org](mailto:association@belltelretirees.org) or contact State Representative Coordinator Pat George at 315-656-3529, e-mail at [pattigeorge@yahoo.com](mailto:pattigeorge@yahoo.com).

## Association of BellTel Retirees Privacy Notice

A new Federal law now requires many business and financial organizations to inform customers as to the way they use those customers' personal information. While the law was intended to place a better control on the way financial institutions sell or disclose information about you, the officers of the Association want to take this opportunity to advise retirees of OUR policy regarding our membership roster and information.

The Association is bound by professional standards of confidentiality that are in fact, more stringent than those required by

this new law (Gramm-Leach-Bliley Act).

The Association of BellTel Retirees maintains contact information on our members and subscribers to the BellTel Retiree newsletter. At various times retirees/members do share with us the names and addresses of other company retirees who they feel might like to join the Association, subscribe to the newsletter and be informed of BellTel happenings. We maintain this information to better inform our members on pensions, benefits and legislative issues for which the Association is fighting.

The Association does not allow others, outside the organization, to have access to our member roster, nor is it our policy to allow it to be borrowed, rented or sold in any fashion. We maintain physical, electronic and procedural safeguards that comply with our professional standards and federal regulations. We have no intention of changing this policy but we would most certainly notify our membership prior to any such policy alteration.

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**Note:** Herb Manna is a *Bell Atlantic Retiree*.  
Discounts are offered to fellow retirees.

### OFFICE ASSISTANTS (Full Time/Part Time)

Should be computer literate (Windows 95/98) with data input skills. Exp'd telephone/correspondence, etc.

Verizon retiree residing in Nassau/Suffolk County desirable.

Resume w/Phone to:  
Association of BellTel Retirees Inc.  
P.O. Box 33  
Cold Spring Harbor, NY 11724  
Att'n: Christina Kruger

# Verizon Going Long Distance

**V**erizon Communications is making a strong push to expand their long-distance customer base in the Northeast.

The company plans to file for approval with the Federal Communications Commission to offer long-distance service in New Hampshire, Rhode Island and Vermont before the end of the year and file to enter the Maine long-distance market in 2002.

The company received permission from the FCC to enter the Massachusetts market in April. Back in January 2000, Verizon, then Bell Atlantic, was the first regional Bell company allowed to offer long distance in its local service area when it won approval to sell long-distance services in New York.

If the FCC approves, it will be the first time one of the former Baby Bell companies will be offering long-distance service in

every New England state since old New England Telephone was divested from AT&T in 1984. Verizon will also be seeking to enter the New Jersey, Delaware, Maryland, Virginia, and Washington, D.C. long-distance markets by 2002.

A two-year review by the Pennsylvania State Utility Commission, found that the company must promote local competition in order to get permission for long-distance entry, as demanded by the 1996 federal telecommunications act. The utility commission voted 3-2 in favor of the Verizon filing with the FCC to enter that state's long-distance market. The FCC has until September 19 to decide on their application.

## Joe Ristuccia Has Capitol Hill In Sight

*(Continued from page 5)*

tecting their interests, but no one was looking out for the interests of retirees. We had to step up to the plate and organize ourselves and that is what we began doing."

Just this year, Joe was one of the key movers in the formulation of the National Retiree Legislative Network, made up of our own Association and retiree groups representing some of the largest employers in the nation. He notes that the power is in the numbers and participation of retirees willing to get involved. "We don't have the economic power, say that active employees have of withholding their labor against the company

- but we have succeeded in other ways that I believe we have surprised the corporate leadership and we will continue building upon that effort."

Joe thanks you for all of your efforts in the creation of the Association and protection of our retirees' rights. We are very thankful that this Association and its cause have become one of your other hobbies in retirement.

If you would be interested in becoming a volunteer with the Association, give us a call. You can contact the Association office at 631-367-3067 or write the Association at: P.O. Box 33, Cold Spring Harbor, New York 11724.

### Social Security Back Pay - Check Is In the Mail

**R**ecently the Social Security Administration announced that more than 45 million Social Security and six million Supplemental Security Income (SSI) beneficiaries would receive back pay because of a statistical miscalculation by the Bureau of Labor Statistics. The reason is that an error was made in calculating the Consumer Price Index (CPI) for 1999. The Social Security cost-of-living adjustment (COLA) is based on the CPI. Using the now revised CPI statistics, the 2000 COLA increase should have been 2.5 percent instead of the 2.4 percent that was originally issued. Beneficiaries should have received automatic back-pay in July, typically between \$12 and \$19, and a letter explaining the reason for the payment.



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# Cut Back on Energy Costs Without Turning Off The Lights

It was just about a year ago that the California energy crisis came to the forefront of the news. Could rolling blackouts on the left coast happen in my community or what about the soaring cost for electricity? Will it take a chunk out of my pension check?

These days the issue of energy conservation, costs and available power supply - something we once took for granted - have become a hot topic. With the escalating cost for energy as much as tripling in some communities, it has also certainly become an issue not to be ignored by retirees on a limited budget.

It also seems to be a problem that is not destined to go away any time soon, as many experts say our nation's energy dependency will only get worse and are encouraging conservation as the best long-term strategy.

You can begin trimming your utility bills by starting with the lighting you maintain in your home and office. According to a study by the Sylvania Corporation, the maker of light bulbs and energy efficiency solutions, 73% of all possible energy efficiency is tied directly to lighting. By simply retrofitting existing lighting configurations it is possible to conserve energy and cut down on utility bills in the long-term, all while keeping the lights on.

### Conservation Tips From Sylvania:

Select the most efficient light source possible in order to minimize the cost of power and energy consumption. Standard incandescent bulbs waste much of the energy they use in the form of heat and are very ineffi-



*New efficient light products for your home make energy conservation easy and can save retirees big bucks on their electric bills.*

cient for making light. Compact fluorescent bulbs are just the opposite. They are cool to the touch, can last 10-20 times longer and use between 50% and 70% less energy. Also by using fluorescent bulbs where access is difficult, say on ceiling fixtures, it is also possible to reduce the need to go through the labor or changing burned out bulbs so often.

Many people still think of fluorescent lighting as those glaring, humming, flickering tubes used in many offices, church halls and schools, but the truth is, there is a whole new generation of compact fluorescent lamps suited for home use. They screw into the same socket and produce the same amount of light as regular old style incandescent bulbs. With an average 10,000-hour lamp life, they may cost a little more at the checkout counter or hardware store, but they can significantly reduce maintenance costs in the long run in addition to monthly energy savings.

According to Pam Horner, a General Lighting Education Manager with Sylvania

in Danvers, Massachusetts, "Many people don't realize that these new generation of bulbs last up to 13 times longer than incandescents and use 70% less electricity." So in place of having to take the time and expense to purchase and replace a burnt-out bulb 13 times, one of these efficient longer life models can take its place.

While Sylvania Corporation served as one of our sources of statistical information in this article, there are numerous manufacturers that offer energy efficient bulbs and other products that can help you cut back on your monthly electric usage and expense. Ask your local hardware store representative for help in reviewing your choices or contact the Sylvania Energy Hotline toll free at 1-877-423-3772 or visit their web site: [www.sylvania.com/saveenergy](http://www.sylvania.com/saveenergy).



Association of BellTel Retirees Inc.

UNITED, TO PROTECT OUR FUTURE

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## ASSOCIATION OF BELLTEL RETIREES INC. MISSION STATEMENT

*The Association of BellTel Retirees Inc. is dedicated to promote the protection and enhancement of Bell Atlantic retiree pensions and benefits.*

*The Association will convince the company to properly care for its thousands of dedicated retired employees.*

*The Association will conduct activities designed to educate elected federal, state and local representatives and promote passage of legislation which will protect and guarantee, rather than invade our hard-earned pension and benefits funds.*

## Verizon Stuns Many with Pension & Benefit Changes

(Continued from page 1)

month after the original announcement Ezra Singer, Verizon Executive Vice-President of Human Resources, has already announced a change in the new plan. Pension eligible management employees who retire from April 1, 2001 through December 31, 2001, can retain their old 95% medical coverage, old dental plan, and old life insurance coverage provided they choose the old "greater of" pension plan. After 01/01/2002 only the new plan will be available. Under the new plan retirees won't have medical coverage unless they are age 55 (e.g.- retiree age 49 with 32 years of service must pay for their medical coverage until age 55).

According to some inside the company, Verizon's logic behind the new plan changes was that they were too generous with retiree benefits. Verizon stated that retirees will share some of the medical costs and this is "a good thing." According to the company's human resources department, Verizon is now in the top 25% of the Fortune 100 companies in regards to the retiree benefits and pensions it offers.

Another active Verizon employee contacted for this story was shocked at the news and noted, "We lobbied for a pension based on the best 5 years' salary and the elimination of a penalty at 55. We sure as hell didn't think we had to say not to decimate the retiree medical and life insurance plans! They did this because they can and until more of us speak out and help our fellow employees to understand how little the first and second level employees' contributions are valued and rewarded by Verizon, the more they will continue to take from us."

### Effect on Current Retirees?

Following a June meeting in Philadelphia where details of the plan were offered to active employees, one retiree who heard a rumor that the revisions would affect her current retirement status contacted Verizon Senior Vice President of Human Resources Lea Davies to find out if what she had heard was accurate.

In a note to Mr. Davies, retiree Marge Pritchard detailed, "I retired from Verizon after 30 years of service. A friend of mine who is an active employee attended a session

with you regarding the new pension plan in Philadelphia on Monday, June 25. I wanted to ask you to verify her understanding of what was said. I was told that, when asked about the new medical benefits for people who retire after January 2002, you stated that the people in the room (at the meeting) should not be overly concerned about this since it was likely Verizon would be taking away existing medical benefits from retirees who previously left the company.

Was that an accurate reflection of what you are saying? If so, I want to understand why Verizon would want to do that and whether or not that would happen to all retirees including those executives of the company who left under so-called "golden parachutes."

Mr. Davies reply to the communication was, "This is an accurate statement."

Marge Pritchard closed her note saying, "I have not slept well since I have heard this and am very concerned about what the company may do to affect my ability to care for my health and well-being. Remarks like this affect the lives of human beings."

## Consumer Protection Officials Warn of Telemarketing Scams

**H**ave you ever answered the phone to find someone you don't know, from a company you've never heard of, trying to sell you a product that you have no interest in? According to the National Fraud Information Center, consumers lose an estimated \$40 billion a year through telemarketing fraud in the United States.

Fraudulent telemarketing firms often compile lists of their victims and then resell them to other unscrupulous companies that will carry out similar operations. These lists are highly valued by fraudulent telemarketers because those on it are probably susceptible to being scammed more than once and have already been identified as easy targets. Recently, the New York State Consumer Protection Board uncovered a scheme in which one telemarketing firm was selling fraud protection insurance to the same individuals they allegedly victimized just months earlier in a large-scale telemarketing fraud.

Thousands of people across the United States fell victim to a company called Consumer Alliance, to whom buyers paid \$350 for a credit card protection package that was simply brochures, stickers and nothing more. The FBI and New York State Consumer Protection Board are now also investigating the

Senior Advisory Council, a Phoenix-based operation, for resoliciting the same older age victims of the Consumer Alliance scam, offering them, of all things, protection against telemarketing fraud. The \$247 protection package that they have been selling contains mainly services that the consumers could do themselves for free, such as placing themselves on a do-not-call list.

Telemarketers from the Senior Advisory Council told Consumer Alliance victims that they knew they were victims of a scam and in some cases even mentioned the company that defrauded them. The Executive Director of the New York State Consumer Protection Board, C. Adrienne Rhodes, said, "It is apparent that personal information about these victims has been distributed between telemarketing companies."

### Protect Yourself for Free

Federal law requires telemarketing companies, with the exception of non-profit organizations, to maintain do-not-call lists. To prevent a telemarketer from calling you again, tell the caller to place you on the company's do-not-call list and have you removed from all lists they deal with.

To significantly reduce the number of unwanted calls placed to your home, sign up

for the Direct Marketing Association's (DMA) Telephone Preference Service. The DMA commercially publishes and markets lists of consumers who do not wish to receive solicitation calls. Two to three months after your name is entered you should notice a decrease in the number of solicitations you receive. Registration is good for five years. Your name can be added to DMA's lists free of charge by sending your name, telephone number, address and signature to:

Telephone Preference Service  
ATTN: Preference Service Manager  
Direct Marketing Association  
P.O. Box 3079  
Grand Central Station, NY 10163

Or you can register online at [www.the-dma.org/consumers/offtelephonenumber.html](http://www.the-dma.org/consumers/offtelephonenumber.html). There is a \$5 processing fee for registering with the service online.

Always remember to be careful with your financial and personal information. Do not provide bank account numbers, credit card numbers, your social security number or other information to telemarketers or others over the phone unless you know the individual and company you are dealing with is legitimate and the information is absolutely necessary for the transaction.

# Member Mailbag



To the Editor:

I read your Summer Issue of the *BellTel Retiree* and was not too shocked to read of the various CEO benefits. Look at Lucent and the pension the CEO walked away with after retiring and leaving Lucent in the dust. GE is not any better. Look at Exxon-Mobil who just split their stock and raised their dividend, not connected in any way with the gasoline price increases. If one reads the Annual Reports, one can see who comes out on top — not the troops. I know of only one CEO who has taken a cut in these times. And this bank's CEO had split stock and raised the dividends quite a few times. This is a rare bird.

Your article on Qwest was also interesting. However, you seemed to forget that, not only did the troops at US West take a beating on the pensions but they, and all the US West shareholders took a further drubbing on the dividend. I believe Qwest is coming forth with a dividend in the area of Lucent's — pennies, a long way from the \$.53 1/2 we received from US West. It seems like only the upper bourgeoisie, which includes the "old boys club" of the Boards of Directors, are the only ones living in the Land of Milk and Honey. Thank you for an interesting issue.

Sincerely  
E.S.

\*\*\*

## MOVING?

To all Members:

Help us keep postage costs down, and make sure we know where to reach you. Please keep us informed about a change in your address be it permanent or temporary. Send information to us at:

Association of BellTel Retirees, Inc.  
P.O. Box 33  
Cold Spring Harbor, New York 11724

Tel: 631-367-3067  
Fax: 631-367-1190  
e-mail: association@belltelretirees.org

Dear Friends,

After reading the Summer 2001 report of "Verizon's 2000 Executive Compensation", I was sickened, dismayed, and angry that such "upstarts" could legally rape our organization as arrogantly, while we retirees - (many of us) - are eking by on a pittance for the "blood, sweat and tears" we contributed to the company's largesse.

I'm 75 years old, widowed, with Social Security, my 1/2 pension from NJ Bell, and my late husband's monthly pension of \$159.00 a month - trying to stay "independent" and to pay my own bills. Four years ago I got "desperate" and was hired as the evening operator, three evenings a week, at a rehab center 12 miles from my home. (The pay is minimal with no benefits and SS & N.J. get their share out of the paycheck - to be sure!)

What's a person to do? Tho' I was employed from May 1946 - January 1982, when I turned 55 years old as an In-charge operator at a TSPS office my service, when bridged, came to 22 yrs. 3 mos. - no where near the 36 yrs that passed! All the Holidays, split shifts and 10 years of nights (10-7 11-7) should've counted. Maybe I am greedy, for more than the net \$470.52 a month I

receive. I just hope I can continue working. P.S. I, just wish this \$20 (contribution) could be more. Thank you for your time & Go Get 'Em!

Sincerely,  
P.K./New Jersey

\*\*\*

Dear BellTel Retirees,

I get a deferred pension with a monthly payment of \$111.54 after almost 25 years of service with New England Tel & Tel. I get no benefits or increases. I am a widow with a fixed income. I hope you will understand why I have not contributed.

Thank you,  
M.W./New England

### READERS:

Write us with comments about articles appearing in the BellTel Retiree newsletter, suggestions for future articles and opinions about retiree pensions, benefits and other outstanding concerns. We want to hear from you! Send letters to:

Editor  
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P.O. Box 33  
Cold Spring Harbor, N.Y. 11724  
or Via email: association@belltelretirees.org

### ASSOCIATION OF BELLTEL RETIREES INC.

P.O. BOX 33, COLD SPRING HARBOR, NY 11724

Yes! I want to join the Association of BellTel Retirees Inc. I support you in your fight to protect the pension and benefit rights of both management and non-management retirees and active employees.

Enclosed is my tax-deductible contribution of:

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Retiree Member  \$20  \$25  \$50 or Other \$ \_\_\_\_\_

Check Enclosed  or Charge contribution to my  Visa  MasterCard

Credit Card Acct.# \_\_\_\_\_ Exp. Date \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City/State/Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_

Management  Non-Management

I retired or expect to retire in (year) \_\_\_\_\_ from (Co.) \_\_\_\_\_

\* All names are kept strictly confidential

The Association of BellTel Retirees is a 501 C3 IRS Tax-Exempt Corporation representing all retirees and active employees of Bell Atlantic



## President's Message

by C. William Jones

based on a "false premise that current law fails to ensure that plan participants receive the retiree health benefits promised." It goes on to say that the law currently prohibits employers from reducing or canceling coverage unless the company "expressly reserves the right to reduce or terminate coverage in the terms of the plan." Of course, companies like Verizon all have these reservation of rights clauses thus permitting them to do what they want with our benefits at any time.

The letter further states that this bill and others "create a strong disincentive to the continued provision of retiree health coverage and has a chilling effect on sponsorship of many other benefits." These are the same arguments that were used when ERISA was introduced. At that time it was claimed that ERISA would cause companies to stop offering employer sponsored pension plans. That never happened.

I know that many of you have written to your Representatives in Washington asking that they support HR 1322. We appreciate all that you have done. But, we have to redouble our efforts. We must address the points raised in the ERIC letter.

1) What good is a promise to provide healthcare coverage if a company can legally renege on that promise at any time?

2) There is nothing in HR 1322 that would prevent employers from imposing ceilings on the amount of retiree health benefits they provide, nor making pre-retirement changes to control costs.

3) There is no evidence to support the contention that employers will be forced to abandon retiree health plans.

4) Employees considering retirement should not be led to believe that their employer would continue to provide health-care coverage when in fact those benefits could be reduced or terminated at any time.

It is clear that corporate America has declared an all out war on retiree friendly legislation. They have had it their way for a long time and will not give up easily. We cannot sit by and wait for others to come to our aid. If we do, and corporations win this battle, Congress can turn to retirees and say that we had our chance but when HR 1322 was on the table, the retirees who would benefit from the legislation sat home not willing to fight.

Are you willing to fight? Are you ready to stand up, pick up the banner for HR 1322, and rally your friends and acquaintances to do the same? Will you let your elected officials know that unless they declare their solidarity with you and other retirees, to correct a wrong, they might have to live with the results come Election Day. Or...will you sit home passively expecting your neighbors and fellow retirees to fight for you? This is our chance to exact justice. Take action, become part of the process and when we win, you can thank yourself. Should corporate America win, who shall be to blame?

As President of this Association, a retiree and a volunteer, I must tell you that my fellow volunteer board members and I cannot do it alone. We need you today.

### President's Message

In case anyone out there still thinks that our former employer has the best interests of its employees and retirees in mind, think again. The company recently announced sweeping changes in its pensions and benefits packages for active employees and future retirees. The announcement has set off a whirlwind of complaints, claims and counter-claims about the changes. Details of the package are found in another article in this edition. It suffices to say, however, that all of the changes represent a deterioration in pensions, healthcare benefits and insurance.

This action by the company highlights the importance of our legislative effort. As you can imagine, industry at large has opposed the Emergency Retiree Health Benefits Protection Act of 2001 (HR1322). We received a copy of a letter that was written to key Congressional Committee Chairpersons by a well staffed, well financed industry lobbying group opposing our bill. It should not surprise you that Verizon Communications is a member of this group called ERIC (ERISA Industry Committee).

The letter calls HR 1322 "the most extreme bill" of the several healthcare bills recently introduced. It says that the bill is

## ***Editorial:***

# ***Mr. President Back Up Your Words with Deeds***

At the 21st Century Work Conference this summer in Washington, D.C., some of the nation's leaders addressed the state and future of the American workplace. VIP presenters included Federal Reserve Chairman Alan Greenspan and President George W. Bush, bringing together labor leaders, corporate executives, and government officials to discuss the problems workers and employers must deal with into the new century.

In his speech, President Bush raised the challenges and issues facing workers and retirees, noting, "We should help them keep good jobs, and encourage employers to do more for their workers...we owe them a chance to build a nest egg that will help them

maintain a high standard of living in their retirement years."

Mr. President, you are correct. But if this is really your position we call upon you to direct Republican Members of Congress and Senate to get behind HR 1322. As the Republican Party leader, they will follow you. To date, retirees have gotten a great deal of lip service from members of the GOP in regards to HR 1322. "We are all for retirees and believe something must be done, but..."

Is this really the President's position, or does it just make for good speechmaking and a good sound bite on the evening news?

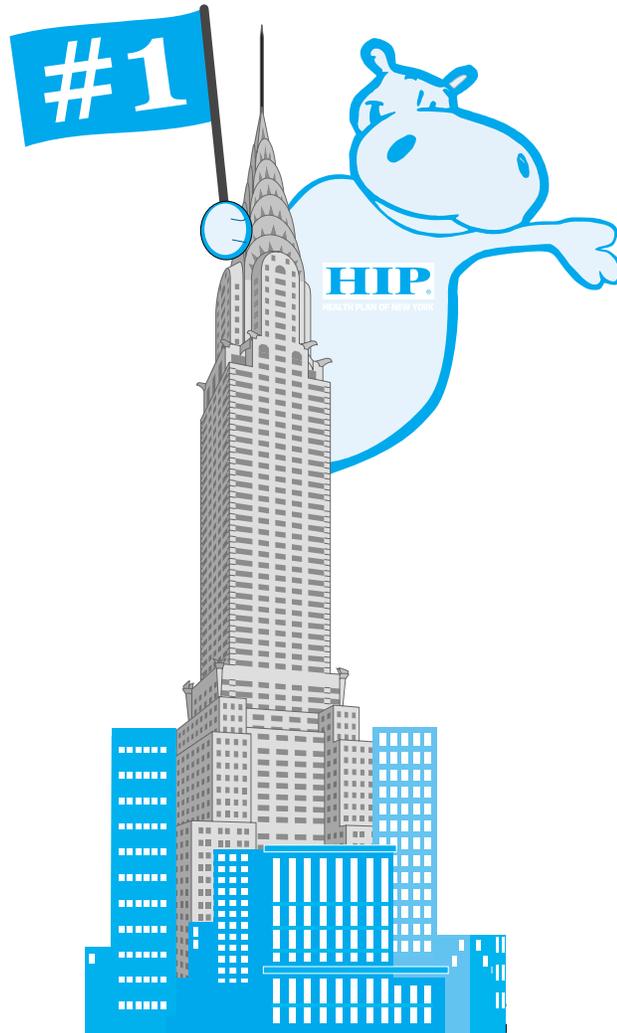
At the conference, President Bush signed an executive order establishing an Office of the 21st Century Work Force within the

Department of Labor to identify new challenges for workers, and a Presidential Council to advise on labor issues affecting the lives of workers and their families. He said, "Every working person is entitled to expect fair treatment from the employers they work for. Wherever possible, we should find ways to remove conflicts between home and work."

Hopefully this is not just more lip service to appease America's retiree population. We need more than a panel to study change, we need results and HR 1322 seems like square one. Closing a loophole in ERISA that hurts some 25 million American retirees certainly seems consistent with keeping that pledge to this nation's workers and retirees.

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