



Maine State

# Retirement News

for Members, Retirees, and Employers

Maine State Retirement System

Summer 2005

## LEGISLATURE REVISES CONFIDENTIALITY OF HOME CONTACT INFORMATION

In 2004, the Legislature enacted a law to protect the privacy of home contact information of Maine State Retirement System members and benefit recipients. The law made this information—home addresses, phone and fax numbers, and e-mail addresses—confidential and protected. Members were allowed to waive this protection. A waiver makes the information public and available to anyone, not just to certain parties. (For a full description, see [Summer 2004 issue of Retirement News.](#))

In the recently completed session, the Legislature carved out an exception to the confidentiality of home contact information. Beginning September 17, 2005, home addresses may be disclosed to "a nonprofit or public organization established to provide programs, services, and representation to Maine public sector retirees" for purposes of their membership recruitment efforts. This will happen unless the member specifically requests MSRS not to share this information.

The issue can be confusing. Before, no action meant no sharing of home contact information. Now, no action will result in disclosure of a member's home address. In addition, the law that was just enacted has a "sunset" provision, which means it will revert in 2007 unless the Legislature takes further action.

MSRS is making available a Confidentiality Election form that members may use to make one of the optional elections under the statute. If you do not want MSRS to share your home address, please complete and return this form. You may download the form at [www.msrs.org](http://www.msrs.org) (see Special Topics) or you may request a form by calling 1-800-451-9800.

### In summary, this is how the confidentiality law will work:

MEMBER CHOICE	RESULT
Do NOT complete and return the Confidentiality Election form	MSRS keeps home contact information confidential with the exception of sharing address with qualified retiree organizations for recruiting purposes (from September 2005 to 2007).
<i>Option 1:</i> Waive confidentiality	MSRS will treat all home contact information as public information and release it to anyone who makes a proper request.
<i>Option 2:</i> Request full confidentiality	MSRS keeps home contact information confidential and does not share address with qualified retiree organizations for recruiting purposes.

### Effect on Recent Retirees

Since late 2004, MSRS has individually advised members preparing to retire that their home contact information was confidential under the 2004 law, unless they signed a waiver. Those who wanted their contact information distributed have provided signed waivers, but other retirees could expect that by taking no action, they were assured of confidential treatment.

As a result of this year's legislation, retiree organizations will gain access to home address information, including for these recent retirees. This is so even if the information was previously confidential, unless the member or retiree now specifically elects to have MSRS refrain from disclosing this information to retiree organizations.

## 2005 Legislative Update

### Legislation Enacted in the First Regular and Special Sessions of the 122<sup>nd</sup> Legislature

#### **An Act Making Unified Appropriations and Allocations for the Expenditures of State Government... for the Fiscal Years Ending June 30, 2005, June 30, 2006, and June 30, 2007**

PL 2005, Chapter 12 [LD 468]  
Effective Date: June 29, 2005

This bill is the "Part 1" State budget. Part R of this bill changes the amortization period of the unfunded actuarial liability associated with the retirement plan that covers State employees and teachers from 15 years from June 30, 2005, to 23 years from June 30, 2005, thereby extending the schedule to the full constitutional limit. Part X of this bill increases the portion of retiree health insurance paid by the State for teachers from 40% to 45%. As amended by PL 2005, Chapter 457, the effective date of this increase is January 1, 2006.

#### **An Act to Increase the Limit on the Right to Rejoin the Maine State Retirement System**

PL 2005, Chapter 76 [LD 515]  
Effective Date: September 17, 2005  
Members Affected: Some PLD Employees

This bill increases to two the number of times that a participating local district member who elects to terminate membership based on also having Social Security coverage may rejoin the MSRS. This new law is not applicable to employees of employers that are governed by the Consolidated Plan for Participating Local Districts until such time that the Advisory Committee that is responsible for the design of the Consolidated Plan elects to modify the plan accordingly. Additional information will be provided to participating local districts once the Board of Trustees has amended its Consolidated Plan rule.

#### **An Act to Authorize the Maine State Retirement System to Provide Names and Addresses to Public Retiree Organizations**

PL 2005, Chapter 149 [LD 209]  
Effective Date: September 17, 2005  
Members Affected: Members and retirees

This bill makes the home addresses of MSRS members and retirees no longer confidential to nonprofit or public organizations established to provide programs, services and representation to Maine public sector retirees if that information is used only for membership recruitment purposes. It also provides that members and retirees may sign a form indicating their desire that their home address not be released to the retiree organizations. (See related article on [page 1](#).)

To view previous Legislative Updates, visit the LEGISLATION section at [www.msrs.org](http://www.msrs.org).

## Message from the Executive Director

Dear MSRS members, retirees and employers,

I'm pleased to introduce myself as the new Executive Director of the Maine State Retirement System. I want you to know that I very much appreciate the opportunity to lead an organization whose work is so vital to the future economic security of thousands of public sector employees in state and local governments and schools across Maine.

I joined the MSRS as the Assistant Executive Director in 1992 and have worked as its Chief Deputy Executive Director in charge of operations since 1997. I came to the Maine State Retirement System from the Maine Health Care Finance Commission where I served as a regulatory attorney for several years. My previous work experience includes directing the then Bureau of Maine's Elderly, serving as Deputy Director of the Bureau of Rehabilitation, as well as other administrative experience in Maine state government over many years. My first job out of college was as a high school Spanish teacher in Maine. I am a native Mainer, having grown up in Pittsfield, graduated from Colby College, received a Master's degree from the University of Southern Maine and graduated from University of Maine School of Law in 1981.



Over the past several years, under the leadership of former Executive Director Kay Evans and the Board of Trustees, the MSRS has made significant improvements in the quality of its retirement, disability, group life insurance, and employer services. At the same time, the Board has steadfastly continued to develop and maintain an excellent investment program for the System's \$9 billion in assets.

As Executive Director, and with the support and guidance of the Board, I want to see MSRS do even better. My goals are to partner with MSRS' capable staff to provide more timely, useful and comprehensive information and services to our members and employers; to assist the Board to maintain both our thoughtful and successful investment program and our mindful emphasis on our fiduciary responsibilities; and to administer the System effectively and efficiently.

I am fortunate to head a very skilled and talented management team that is dedicated to assisting all MSRS staff as they strive for excellence in providing services to our members and employers. We collectively look forward with eager anticipation to our future work on your behalf and I pledge to you our best efforts in that regard.

Sincerely,

A handwritten signature in black ink that reads "Gail Drake Wright". The signature is written in a cursive, flowing style.

Gail Drake Wright  
Executive Director

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## TRUSTEES SET COLA AT 2.5%

At its meeting in August, the MSRS Board of Trustees adopted a cost-of-living adjustment (COLA) of 2.5% to be added to the benefits of all COLA-eligible MSRS benefit recipients, effective with benefits paid in September 2005. The COLA adjustment, by State statute, must be set at the amount of the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the 12-month period ending each June 30, but not to exceed 4%.

[Continued on page 4](#)

**COLA continued from page 3**

State employee and teacher benefit recipients whose normal retirement age is 60 are eligible to receive a cost-of-living adjustment in the first September after having been retired for at least 12 months. For example, if you retired on or before September 1, 2004, you will receive a COLA in September 2005; if you retired as of October 1, 2004, you will receive a COLA in September 2006. If, however, your normal retirement age is 62, you are not eligible to receive a COLA until at least 12 months after you reach age 62.

Participating Local District (PLD) benefit recipients who are covered by a retirement plan that includes the COLA provision are eligible to receive a COLA the first September after having been retired for at least six months and annually thereafter. For example, if you retired on or before March 1, 2005, you will receive a COLA in September 2005. If you are unsure whether your district has a COLA provision, check with your payroll office or the PLD Unit of the Retirement System.

We need your help to make sure that we continue to maintain a current address for you on file. Please notify us immediately when your address changes by completing an [MSRS Member/Retiree Data Update form](#). The form is available through your employer, or you can download it from [www.msrs.org](http://www.msrs.org).



Maine State Retirement System  
**Retirement News**

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*Retirement News* is intended to provide timely information about the MSRS to members, employers and retirees. For the most complete and up-to-date information, please contact an MSRS representative. The contents should not be considered the basis of any contractual rights between the MSRS and its members. The official wording of the laws of Maine will govern.

The Maine State Retirement System does not discriminate against people with disabilities in its programs, activities, or employment. *Retirement News* can be made available in alternative formats. If you have such a request, please contact the Communications Unit.

**MSRS UNITS**

**Retirement Services**  
State Employee, Legislative  
or Judicial Members  
(207) 512-3158

**Teacher Members**  
(207) 512-3159

**Participating Local  
District (PLD) Members**  
(207) 512-3247

**Employer Services**  
(207) 512-3200

**OTHER PROGRAMS**

**Group Life Insurance**  
(207) 512-3244

**Disability**  
(207) 512-3170

All other inquiries should be made  
by calling the following numbers:

**Main:** (207) 512-3100  
**Toll-Free:** 1-800-451-9800  
**Fax:** (207) 512-3101  
**TTY:** (207) 512-3102

[www.msrs.org](http://www.msrs.org)

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