

## 40th Congressional District



Congress of the United States  
House of Representatives  
Washington, D.C. 20515

Official Business

*Ed Royce*

M.C.  
PRSRT STD

U.S. Representative

# ED ROYCE *Listening to You*

Printed on recycled paper 9/03 This mailing was prepared, published and mailed at taxpayer expense.

Dear Neighbor:

Over the last several months we have been hearing more and more good news on our growing economy. Job numbers released by the Bureau of Labor Statistics have affirmed what we have been feeling in California—the economy is growing and jobs are coming back to California. Right now, more Americans are working than ever before and it is an encouraging picture for almost every sector of the economy.

There are two factors which I believe help with the recent job and economic growth in California—the tax relief and job growth reforms passed by Congress last year and the pro-business, common sense solutions of Governor Schwarzenegger. Respected economists have credited the tax relief as one of the major factors behind the current economic growth we are experiencing. Because families are able to keep more of their money to spend and invest, and because small businesses are able to expand and hire more employees, the tax relief and job growth package that Congress enacted is working to expand our economy. In addition, Governor Schwarzenegger's reforms are bringing business and investment back to California.

Congress is also taking action to allow workers more control over the money they earn. Many of you currently have access to health care Flexible Spending Accounts as part of your employer-provided health insurance plan, but don't use the accounts because they are not as "flexible" as the name might suggest. Right now, if you don't spend all the money in your account at the end of the year, it is forfeited to your employer. This is unfair and extremely wasteful. The House recently passed legislation that I authored to allow you to keep or roll over funds in your accounts at the end of each year. This bill is awaiting Senate consideration.

Allowing you to save and spend as you see fit is a sensible solution to the growing health care costs in this country. Turn to page three for more information on this bill.

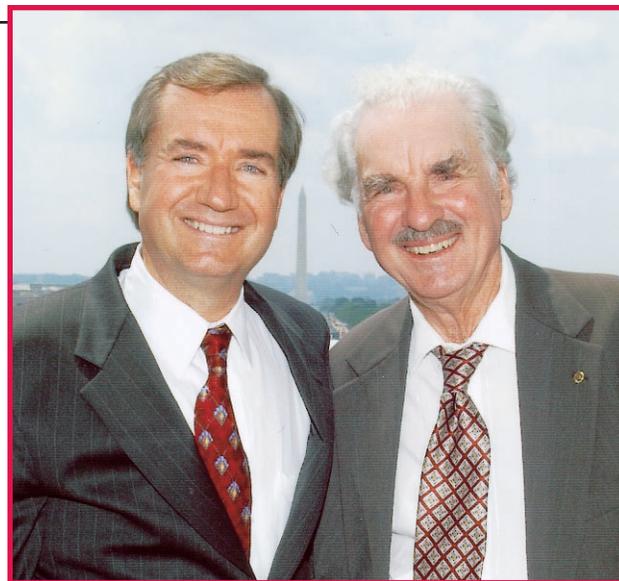
Many seniors have inquired about the new Medicare prescription drug discount cards. As of June 1, 2004, the new discount drug cards are available to seniors who sign up for the Medicare-approved card of their choice. Created by the Medicare legislation passed in 2003, the cards allow seniors to save 15 to 30 percent off the cost of their prescriptions. Find more information about the discount cards and learn how to sign up on page two.

Mark your calendar — you are invited to come and have coffee at Diedrich Coffee at the Plaza in Orange on Saturday, August 21, 2004 from 9:00 a.m. to 10:30 a.m. You and your family are encouraged to stop by to chat and let me know what is on your mind.

As always, if you have any questions or concerns, please contact me at (714) 992-8081, (562) 220-2411 and online at [www.royce.house.gov](http://www.royce.house.gov).

Sincerely,

*Ed*



**Rep. Ed Royce welcomes his father, Ed Royce, Sr., a World War II veteran, who served with General Patton's 3rd Army and with the 7th Army in Europe, to Washington, D.C. for the dedication of the World War II Memorial. Read more about the WWII Memorial on page four.**



**Congressman Ed Royce welcomes Governor Arnold Schwarzenegger to the nation's capital. The two discussed ways the state and federal governments can work together to improve the economy.**

## Coffee With the Congressman

**All Are Invited  
Saturday,  
August 21st**

**Diedrich Coffee  
9:00–10:30 a.m.  
44 Plaza Square  
Orange**

	Maple Ave.		
Olive St.	Chassel St.	Orange St.	55
	Diedrich Coffee O.C Thomas Guide pg. 799, G-4	Chapman Ave.	
	Almond Ave.		

# Avoiding Identity Theft

**Starting Dec. 1st Californians will be able to get their credit report for free.**

Chances are that you probably protect your car and your home better than you protect your personal data. However, recovering from having your identity stolen and your personal information used illegally can take years.

It is important that we know how to protect ourselves from identity theft and know where to turn for help when putting the pieces back together.

**“Identity theft is one of the fastest growing crimes in America. In fact, it is the most common complaint the Federal Trade Commission receives from consumers in all fifty states,” said Rep. Ed Royce.**

The list of what can happen to you and your family when someone misuses your personal information seems endless: trashed credit records, withdrawals from bank accounts or Social Security funds, change of address and phone numbers, refusal of loans for houses or cars, loss of job opportunities, or even being arrested for crimes not committed.

According to the Federal Trade Commission (FTC), nearly 10 million Americans were victimized by identity thieves in one year, costing consumers and businesses over \$50 billion. In addition, consumers spent 300 million hours trying to repair damage to their credit records.

As a member of the House Financial Services

Committee, Congressman Royce was involved in getting the Fair and Accurate Credit Transactions Act signed into law. As a result, beginning December 1, 2004, Californians will be able to get an annual credit report free, with one phone call.

Getting a copy of your credit report won't protect you from theft, but it will allow you to keep tabs on your credit activities and report any suspicious actions. The law requires that the FTC establish a standardized method, such as a website or toll-free telephone number, so that consumers can obtain their report from all three major credit reporting agencies for free, once every 12 months upon request.

Currently, consumers must go to each of the three credit reporting agencies — Equifax, Experian, and TransUnion — separately, paying \$10 for each copy of their report.

The law also took additional steps to protect consumers and confront the rapidly growing problem of identity theft. It requires that merchants leave all but the last five digits of a credit card number off store receipts. This will ensure that these little slips of paper that people often throw away do not contain their full credit card number, a key to their financial identity.

In addition to standardizing the method for obtaining credit reports, the law also creates a national system of fraud detection so that vic-

tims will only have to make one phone call to report fraud, receive advice, set off a nationwide fraud alert, and protect their credit standing.

“Your identity is one of your most important possessions. With this new law, consumers now have even more tools to fight back,” said Royce.

**There are important precautions that you can take to protect your name and your credit:**

▲ Shred your sensitive documents, like credit card statements or bills, to prevent thieves from digging through the trash;

▲ Ask companies, like utilities and insurers, why they need your Social Security number before giving it to them, as most places probably don't need it even though they ask for it;

▲ Make sure that your boss or human resources department safely disposes of your personal documents;

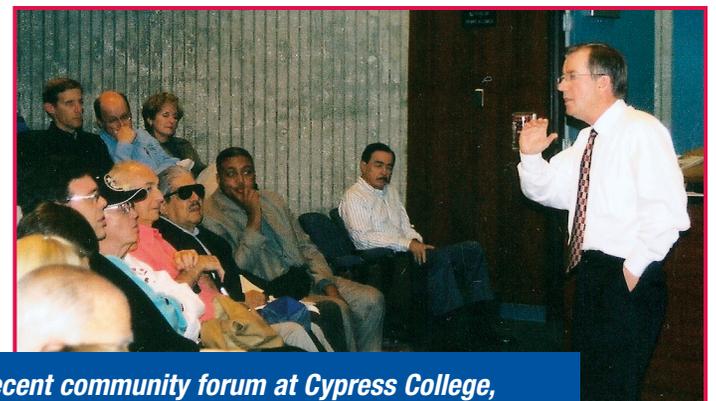
▲ Don't use automatic log-in features for your personal computer and always log-out when you are finished; and

▲ When companies ask for your mother's maiden name as a password, offer an alternative since this is very easy for thieves to figure out.

For more information on identity theft visit [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft) or call 1-877-IDTHEFT (438-4338).



*Congressman Royce fields questions from students at Fullerton College. They discussed international relations and constituent services provided by his 40th District office, located at 305 N. Harbor Blvd., just two blocks away from the college.*



*At a recent community forum at Cypress College, Congressman Royce answers questions from the audience on a range of issues including the economy, homeland security, and health care.*

## Prescription Drug Cards Deliver Savings to Seniors

Starting June 1, 2004, new Medicare prescription drug discount cards have become available. Created by the Medicare overhaul legislation that passed Congress in 2003, the discount cards will allow seniors to save 15 to 30 percent off the usual retail price of most brand name drugs and more on generic drugs at neighborhood pharmacies. Low-income seniors struggling with high drug costs will be able to get these savings as well as an additional \$600 a year credit—or \$1,200 over the next 18 months—to help pay for prescriptions.

“Through the new Medicare-approved drug discount program, the purchasing power of seniors is finally being pooled to provide real savings on prescriptions. The drug card program also gives seniors unprecedented information on drug prices so they can comparison shop,” said Royce.

Seniors can learn how to sign up for the card and find the best card for them by calling 1-800-MEDICARE or by visiting [www.medicare.gov](http://www.medicare.gov). In

about 15 minutes Medicare customer service representatives will review the caller's drug needs and help them select the card that best meets those needs.

Beneficiaries can help by having the following information ready when contacting 1-800-MEDICARE: zip code; list of prescription drugs, including dosage; income to determine if they are eligible for the \$600 credit; and any special preferences, such as a particular pharmacy they like. The web site [www.medicare.gov](http://www.medicare.gov) also features price comparison tools for seniors to use.

Special Note: Please beware of bogus medical discount plans. Sadly, we have already seen fraud-artists who are trying to take advantage of seniors by sending out fake drug discount offers designed to appear as Medicare-approved. Seniors should pay careful attention to any mailings or phone calls they may receive and call 1-800-MEDICARE with any questions or concerns. The Federal Trade Commission and the Social Security Office are already teaming up to try to stop this type of fraud by unscrupulous third parties.

# Royce's Flexible Spending Account Bill Passes House

## Initiative Would Put Workers and Families in Control of Their Own Health Care Spending

Since 1999, Rep. Ed Royce has been pushing for employees to take greater control over their health care dollars by reforming health care Flexible Spending Accounts (FSAs). The current use-it-or-loose-it provision attached to health care funds in employer-provided FSAs are harmful and discourage saving for future health care needs.

Royce's initiative scored a major victory when it recently passed the House. It is now awaiting Senate action.

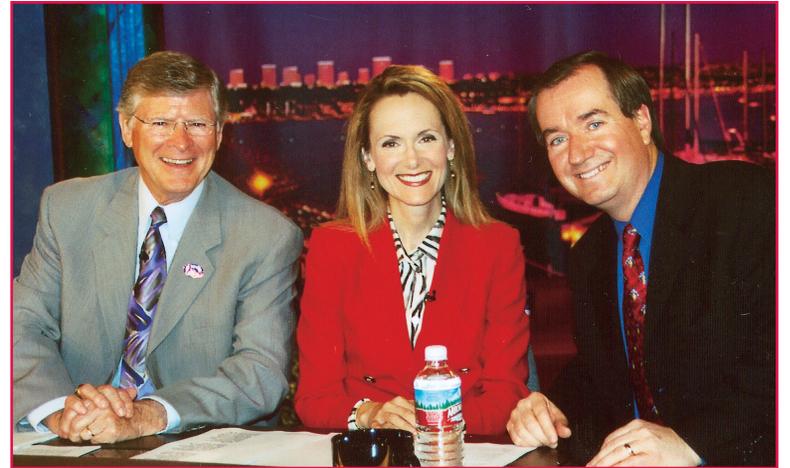
Currently employees can set aside money, before taxes, in an FSA to help pay for health care, such as medical expenses, insurance co-payments, deductibles, and even childcare. Money in the account works like cash to be spent on health care costs, which broadens the choices outside of a health plan's options. Unfortunately, unused money in an FSA is forfeited to the employer at the end of the year.

"The 'use-it-or-loose-it' rule is the worst of all economic incentives. Thirty million employees in America have access to FSAs, but few take advantage of them for fear of losing their money at the end of the year," Royce said, also pointing out that employees often scurry around

at the end of the year, buying unnecessary health care services just so they spend their unused funds.

The HEALTH Act of 2004 [H.R. 4279] would allow up to \$500 of unused funds in an FSA at the end of the year to be carried forward, or rolled-over, for use in one's FSA during the next year. The leftover money could also be contributed to the recently created Health Savings Accounts (HSAs), which became available on January 1, 2004 under the new Medicare law. Similar in concept to an FSA, these new tax-free HSAs are available to anyone who has a high deductible health insurance plan.

"It is difficult to predict a year in advance when you are going to be sick or when you might need a medical exam. If families know they won't lose their money at the end of the year, they will be able to save for future, unexpected health care costs. As health care costs in this country continue to sky-rocket, it is important that families are able to plan and spend as they see fit," he concluded.



*On the set of KOCE's "Real Orange," Congressman Royce, a regular guest on the half-hour news and public affairs show which airs weeknights at 6:30 p.m. and again at 11:00 p.m., talks with anchors Ed Arnold and Ann Pulice. They discuss his flexible spending account legislation that cleared the House, allowing workers to roll over unused funds in their health spending accounts at the end of the year.*

## Crime Victims' Rights Statute Introduced in the House

### Legislation Already Cleared the Senate to Empower Victims of Crime

Rep. Ed Royce recently teamed up with fellow Congressmen Steve Chabot (Ohio), John Shadegg (Arizona), and Kevin Brady (Texas) to introduce the House version of a crime victims' rights statute.

The Victims' Rights Act [H.R. 4342] would empower crime victims by allowing them to confront their assailants in court and at sentence or parole hearings; protect victims by requiring that they be notified about the release or escape of the perpetrator from custody, and by requiring that the victim's safety be considered in determining a release from custody; and guarantee victims the right to seek restitution from their attackers.

"Like California's Proposition 115, which I authored as a California state Senator, this legislation will help ensure that victims aren't ignored or neglected by a legal system which too often appears to tilt in favor of the criminal," he said. "This bill needs to get to the President's desk as soon as possible so that it

can make an immediate impact on the lives of crime victims."

Currently 32 states, including California, have adopted a constitutional amendment to



*Congressman Royce talks with Jean Pascale about the crime victims' rights legislation he recently introduced in the House, and signs a victims' rights petition at the Justice for Homicide Victims memorial service event.*

provide rights to victims of crime, and all 50 states have enacted victims' rights legislation. This bill will ensure that important protections for crime victims are also applied to federal court proceedings. It will also help states implement and enforce their own victims' rights laws and allow them to retain their full power to protect victims in the ways most appropriate to local concerns and local needs.

The legislation is named after five victims of violent crime, one of them being Scott

Campbell of San Juan Capistrano. Scott's mother, Colleen Campbell, along with Orange County victims' rights groups, has been working with Royce for years to get victims the rights they deserve.

"Victims of crime need all the help and support they can get. Although this bill is not the amendment to the Constitution that victims of crime deserve, it is a step in the right direction. Ultimately, the best way to protect victims is through the Constitutional amendment process," said Royce, who has introduced legislation in the House to amend the Constitution to protect the rights of crime victims [H. J. Res. 10].

Royce has been a longtime advocate for victims' rights. As a California State Senator, he co-authored Proposition 115, the victims' rights/speedy trial initiative and worked for its passage. He also authored the nation's first anti-stalking law, versions of which have been adopted in all 50 states. In 1996, he authored and passed the federal Interstate Stalking Punishment and Prevention Act, making it a federal crime to pursue a victim across state lines, and enabling law enforcement to intervene before violence occurs. The bill was signed into law that year.

# WWII Memorial Dedication

Thousands of veterans and their families gathered on the National Mall in Washington, D.C. over the Memorial Day weekend for the dedication of the World War II Memorial, honoring the service and sacrifice of a generation. Congress first authorized the WWII Memorial in 1993, and nearly 59 years after the end of the War, the Memorial became a reality. It honors the 16.4 million who served in the U.S. Armed Forces during the War, the more than 400,000 who died, and the millions who supported the effort at home.

Rep. Ed Royce hosted veterans and their families from Orange County who were able to make it out to Washington, D.C. for the events. He helped arrange tours of the White House, assisted with tickets to the dedication ceremony, and took them on a tour of the U.S. Capitol Building.

"It was a great honor to celebrate this event with our WWII veterans, especially the ones who came out from Orange County. To be surrounded by so many true American heroes who were all gathered in one place on the day of the dedication was inspiring. These men and women really do represent the 'Greatest Generation,'" said Royce. "My father, Ed Royce, Sr., was also able to come to D.C., making this event that much more memorable for me. He was a forward observer for General Patton's 3rd Army and served in France, Germany, and Austria. Growing up, I remember opening his Army trunk and seeing some of the photos he took, especially the pictures depicting evidence of the atrocities at the Dachau concentration camp."

The Memorial sits on the National Mall around the reflecting pool, joining the Korean and Vietnam War Memorials at the base of the Lincoln Memorial. It features two memorial arches serving as markers of the War's two major



theaters—the Atlantic and the Pacific, 56 pillars representing the U.S. states and territories at the time of the War, and a freedom wall of gold stars which pays tribute to the lives lost in the War.

If you are traveling to Washington, D.C. and would like information on visiting the Memorial, or help with visiting other sites around our nation's capital call Royce's office at (714) 992-8081 or go online to [www.royce.house.gov](http://www.royce.house.gov).

*Joined by sons, Mike and Dan, WWII U.S. Army veteran Mario Zeoli looks out over the National Mall with Congressman Ed Royce in preparation for the dedication of the WWII Memorial. Zeoli traveled to Washington, D.C. from Buena Park for the Memorial events.*

## Investor Education Forum Held in Orange

Earlier this year, Congressman Royce joined representatives from the NASD—the non-profit provider of financial regulatory services and information for individual investors—to talk to Orange County residents about the importance of investor education.

"Half of the households in America have invested in the stock market, whether directly or through retirement plans, mutual funds, or other mediums. It is important that those who are investing their money have all the information they need. Making the right decisions in a highly complex, fast changing market is important," said Royce.

According to NASD Vice Chairman Mary

Schapiro, who spoke at the event in Orange, "NASD believes that the most potent form of investor protection is investor education. A knowledgeable investor stands less chance of being taken advantage of, and is more likely to recognize and reap the rewards of legitimate investment opportunity."

Under federal law, every securities firm doing business with the U.S. public is required to register with NASD. Roughly 5,300 brokerage firms and more than 660,000 registered securities representatives come under NASD's jurisdiction. NASD's mission is to develop the rules that govern the conduct of the securities industry, examine securities firms for compliance, and discipline those who fail to comply.

A recent NASD survey showed that 97 percent of investors realize they need to be better informed about investing. NASD's website—[www.nasd.com](http://www.nasd.com)—contains a wealth of information, including tools and resources to protect investors and help them make informed investment decisions:

▲ "Investor Alerts" provide timely information on steering clear of investment scams and

problems.

▲ "Smart Investing" is a detailed series on major investment topics, like Smart Saving for College and 401(k) Investing.

▲ Interactive tools such as the "Mutual Fund Expense Analyzer" allow investors to compare competing investment alternatives.

▲ NASD's "Investor Complaint Center" lets investors file complaints against brokers or brokerage firms.

▲ NASD's "Broker Check" lets you check the background of an individual broker or brokerage firm.

▲ Information about the variety of investment choices available and a glossary of terms allows investors to make informed decisions.

▲ "Ask NASD" allows site visitors to ask investment-related questions and receive prompt responses.

"People invest and save in securities markets to help pay for retirement, education or a new home," Royce said. "The best investor is an informed investor. There is a wealth of information available; investors should take an active role in informing and educating themselves so that they can make the best decisions for themselves and their families."

### Clip & Save

If you have any government-related problems or concerns, assistance is available for you and your family. Cut out this box and save it or put it on your refrigerator for future reference.

#### **Congressman Ed Royce**

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Stay informed on issues that are important to you. Visit Royce's website at [www.royce.house.gov](http://www.royce.house.gov) to sign up for his email update.



*Congressman Royce, joined by his wife, Marie, discusses the importance of securing our borders with Homeland Security chief Tom Ridge. Royce and Ridge spoke at a Southern California meeting on homeland security.*