

Michael W. Frerichs
ILLINOIS STATE TREASURER

Treasurer's Note

January 29, 2024

Fighting to Make Sure You Get the Money that Belongs to You

As a kid, if I saw money sitting on the ground, I firmly believed in the rule of “finders keepers.”

My mother saw it differently.

As I got older, I would try to make my case by citing the idea that “possession is nine-tenths of the law.”

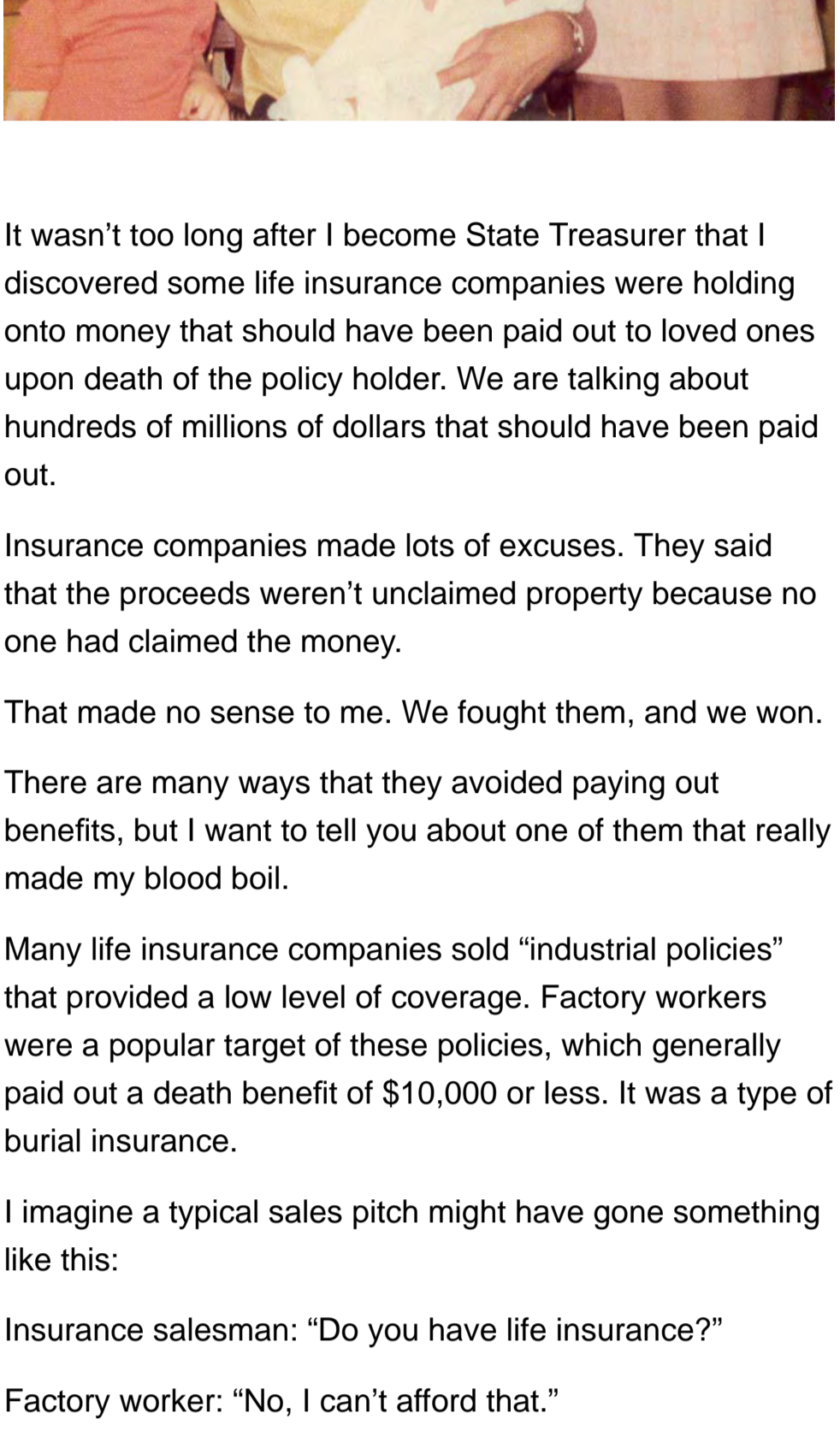
She wasn't buying that, either. She knew what was right, and that was to look for the rightful owner and return the money to them.

Mom's lesson comes in handy in my job as your State Treasurer. I'm in charge of returning lost money to the people of Illinois.

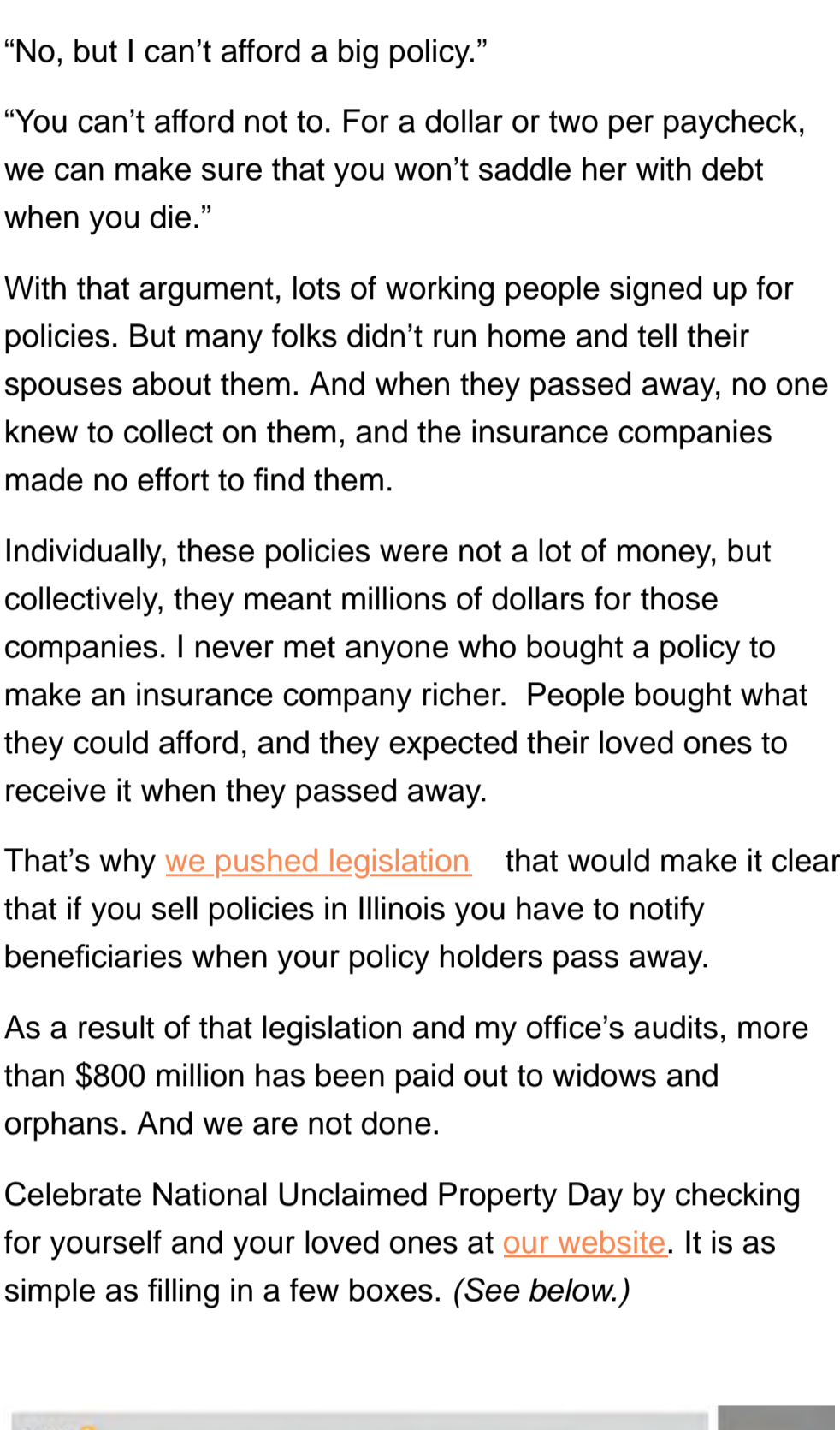
Feb. 1 is National Unclaimed Property Day. Across the country, states will raise awareness and encourage people to check if they have cash or property owed to them. In Illinois, we are highlighting the [I-Cash program](#).

As much fun as this holiday sounds, not everyone is excited about it. We have discovered that there are still some companies that could use a lesson from my mom. They are holding onto money that doesn't belong to them, and they don't like returning it. Possession, in fact, is not nine-tenths of the law.

In honor of National Unclaimed Property Day, I want to explain one way that money has not been returned to its rightful owners, and what we have done to make sure that it gets where it belongs.



My mom seemed to know how to deal with me as a newborn baby a little better than my dad did, as you can see by my facial expressions.



It wasn't too long after I become State Treasurer that I discovered some life insurance companies were holding onto money that should have been paid out to loved ones upon death of the policy holder. We are talking about hundreds of millions of dollars that should have been paid out.

Insurance companies made lots of excuses. They said that the proceeds weren't unclaimed property because no one had claimed the money.

That made no sense to me. We fought them, and we won.

There are many ways that they avoided paying out benefits, but I want to tell you about one of them that really made my blood boil.

Many life insurance companies sold “industrial policies” that provided a low level of coverage. Factory workers were a popular target of these policies, which generally paid out a death benefit of \$10,000 or less. It was a type of burial insurance.

I imagine a typical sales pitch might have gone something like this:

Insurance salesman: “Do you have life insurance?”

Factory worker: “No, I can't afford that.”

“Do you know how much it would cost to bury you if you died?”

“No idea. Hadn't thought about it.”

“It will cost thousands of dollars. I'm guessing you don't have that kind of money sitting around. Your wife will have to go into debt. Do you want to do that to her?”

“No, but I can't afford a big policy.”

“You can't afford not to. For a dollar or two per paycheck, we can make sure that you won't saddle her with debt when you die.”

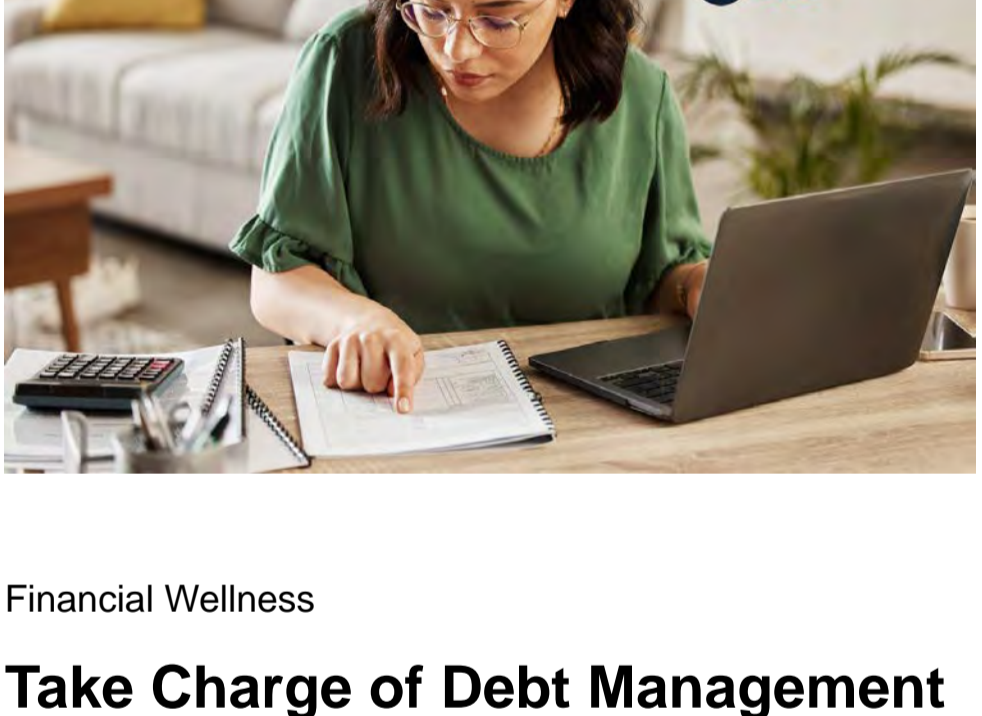
With that argument, lots of working people signed up for policies. But many folks didn't run home and tell their spouses about them. And when they passed away, no one knew to collect on them, and the insurance companies made no effort to find them.

Individually, these policies were not a lot of money, but collectively, they meant millions of dollars for those companies. I never met anyone who bought a policy to make an insurance company richer. People bought what they could afford, and they expected their loved ones to receive it when they passed away.

That's why [we pushed legislation](#) that would make it clear that if you sell policies in Illinois you have to notify beneficiaries when your policy holders pass away.

As a result of that legislation and my office's audits, more than \$800 million has been paid out to widows and orphans. And we are not done.

Celebrate National Unclaimed Property Day by checking for yourself and your loved ones at [our website](#). It is as simple as filling in a few boxes. ([See below](#).)

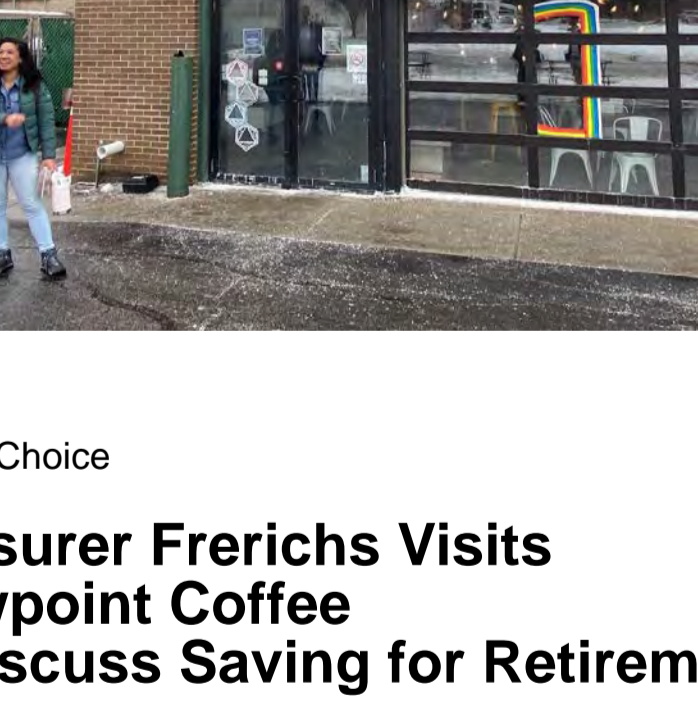
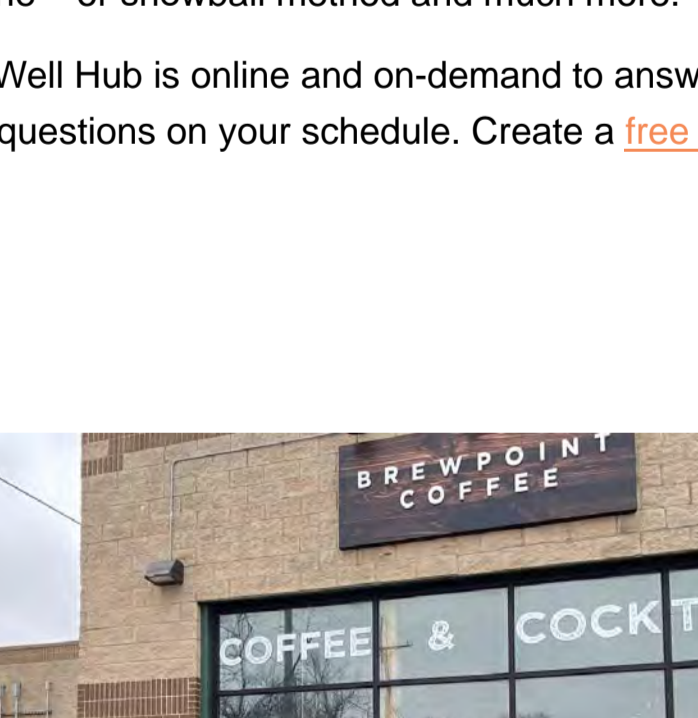
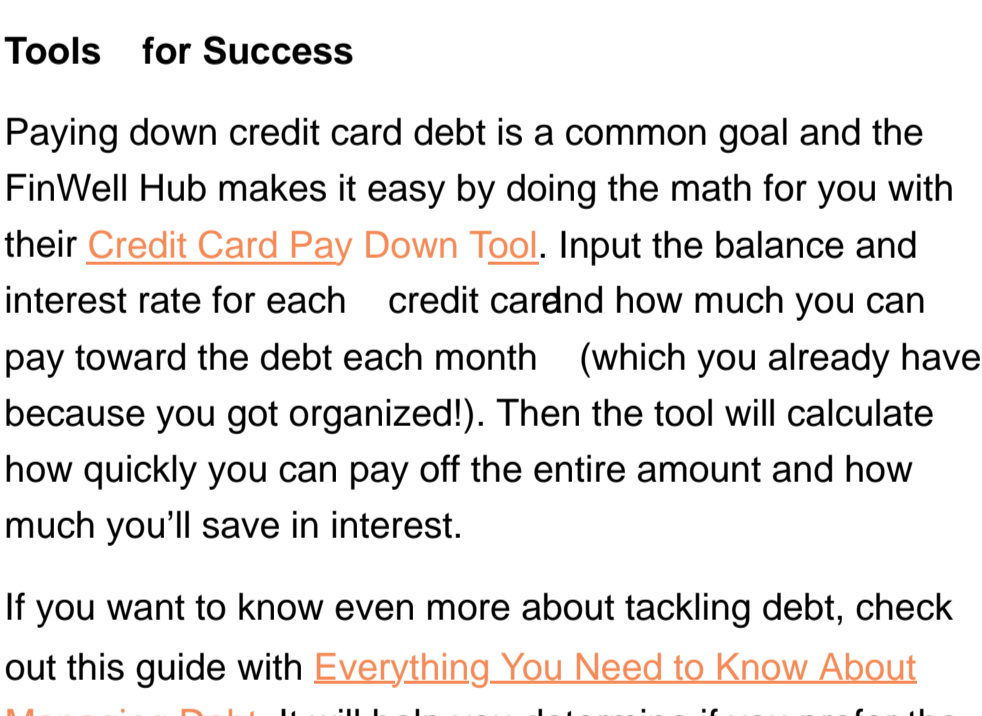
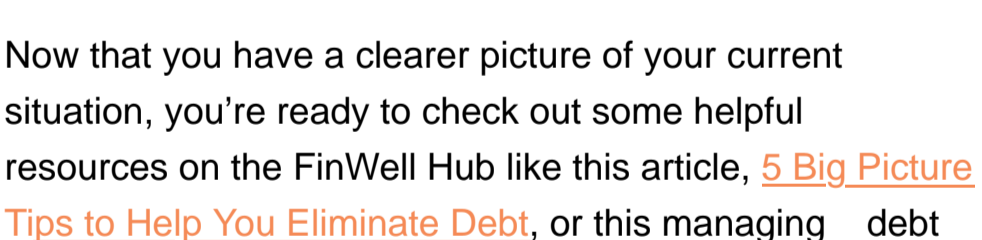


I won't guarantee that we have money for you, but 1 in 4 people who check our site find money, and your odds are a lot better than playing the lottery.

Sincerely,

Michael W. Frerichs

Illinois State Treasurer

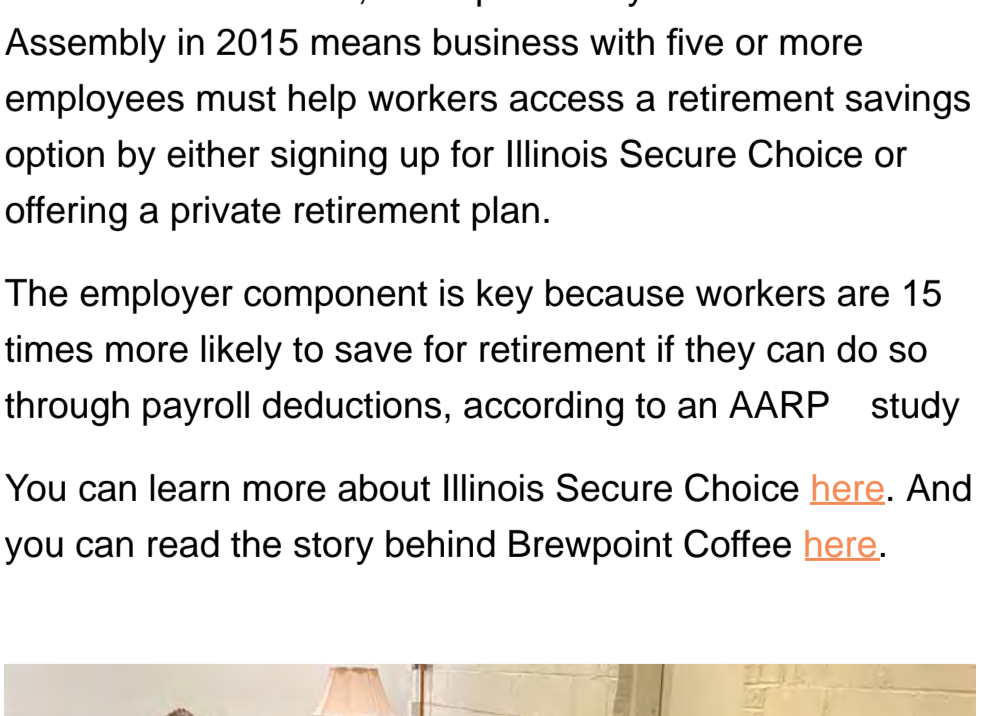


A Reminder to Young Photographers: Explore Illinois Agriculture This Winter

Now is a great time for young photographers—ages 8 to 18—to use their cameras and phones to capture winter-themed images of Illinois agriculture in preparation for the annual [Cream of the Crop Photo Contest](#). Young photographers can take pictures now and submit them as contest entries in a couple of months. The contest is designed to encourage young people to share their vision of Illinois agriculture through photography.

The students who earn first, second or third place in each of three age categories will receive up to \$1,000 in scholarship prize money, said Treasurer Michael Frerichs, whose office oversees the contest. Cream of the Crop is part of the Illinois State Treasurer's [Ag Invest](#) program, which observed its 40th anniversary last year.

Keep watching this newsletter for future announcements about the 2024 contest.



Financial Wellness

Take Charge of Debt Management in 2024

Is paying down debt on your list of New Year's resolutions? Whether your credit card balance grew over the holidays, or you have existing loans to pay off, the [Illinois Financial Wellness Hub](#) (FinWell Hub) is here to help with free tools and resources.

Getting Started

One of the most important steps to paying off debt is getting organized. Start by creating a list of all your debts and include details like total amount owed, minimum monthly payment, interest rate, and due date. Next, you'll want to assess your income and monthly budget. How much can you put toward paying down your debt each month?

Now that you have a clearer picture of your current situation, you're ready to check out some helpful resources on the FinWell Hub like this article, [5 Big Picture Tips to Help You Eliminate Debt](#), or this managing debt [video](#).

Tools for Success

Paying down credit card debt is a common goal and the FinWell Hub makes it easy by doing the math for you with their [Credit Card Pay Down Tool](#). Input the balance and interest rate for each credit card and how much you can pay toward the debt each month (which you already have because you got organized!). Then the tool will calculate how quickly you can pay off the entire amount and how much you'll save in interest.

If you want to know even more about tackling debt, check out this guide with [Everything You Need to Know About Managing Debt](#). It will help you determine if you prefer the avalanche or snowball method and much more.

The FinWell Hub is online and on-demand to answer your finance questions on your schedule. Create a [free account](#) today.

Secure Choice

Treasurer Frerichs Visits Brewpoint Coffee to Discuss Saving for Retirement

Brewpoint Coffee in Elmhurst sells delicious coffee, sweet pastries and tasty tea. Saving for retirement also is on the menu for the 40 or so people who work for the company through [Illinois Secure Choice](#).

Treasurer Michael Frerichs recently visited one of the four Brewpoint locations to talk about Illinois Secure Choice, a program that allows employees to contribute a portion of their paycheck to their IRA through a payroll deduction facilitated by their employer.

For Melissa Garcia Villanueva, who founded Brewpoint 10 years ago, signing up for Secure Choice was a way to help her workers, many of whom are in their 20s, get an early jump on saving for retirement.

“I think Illinois Secure Choice is fantastic,” Villanueva said. “It's well received by the employees. I think it's a game-changing program.”

Treasurer Frerichs recently discussed how Social Security alone won't be enough for many workers while meeting with Villanueva, State Sen. Suzy Glowiak Hilton of Western Springs and State Rep. Jenn Ladisch Douglass of Elmhurst.

“Illinois Secure Choice helps workers retire with dignity and confidence,” Frerichs said. “Secure Choice is portable, meaning employees can take their retirement savings with them even as they move on to other jobs.”

About 40% of the state's private-sector workers do not have access to an employer-sponsored retirement plan, and those numbers are even higher for those at small businesses. In Illinois, a law passed by the General Assembly in 2015 means business with five or more employees must help workers access a retirement savings option by either signing up for Illinois Secure Choice or offering a private retirement plan.

The employer component is key because workers are 15 times more likely to save for retirement if they can do so through payroll deductions, according to an AARP study. You can learn more about Illinois Secure Choice [here](#). And you can read the story behind Brewpoint Coffee [here](#).

Treasurer Frerichs discusses the Secure Choice retirement savings program with owners and customers at Brewpoint Coffee in Elmhurst.

Illinois State Treasurer Michael W. Frerichs

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