Michael W. Frerichs

ILLINOIS STATE TREASURER

MAY 2019 E-NEWSLETTER

Treasurer's Note

Your Money

We reached another milestone in returning forgotten money and investments to their rightful owners.

A record-breaking $200 million in forgotten cash and securities was returned to owners during the past 10 months. It is the largest amount in the unclaimed property program's 58-year history.

Such milestones typically are recorded in July to capture the state's entire fiscal year, which is July 1- June 30. We reached the $200 million milestone in April. That means we will shatter previous records set in fiscal years 2018, 2017, and 2016.

During this record-setting period, nearly 200,000 claims were fulfilled with an average value of $1,000. By comparison, approximately 116,000 claims were fulfilled in Fiscal Year 2018 ($180 million returned), 58,000 claims in Fiscal Year 2017 ($159 million returned), and 53,000 claims in Fiscal Year 2016 ($155 million returned).

The increases in the number of fulfilled claims is a direct result of working smarter. We leveraged technology to make it easier for individuals, businesses, and non-profits to file a claim. Paperless claims now are used when possible and pursued by the claimant. Additionally, we convinced lawmakers to allow us to send checks directly to some qualifying individuals even if they do not initiate a claim.

Today, we have more than $3 billion in unclaimed property, such as unpaid life insurance benefits, forgotten bank accounts, and unused rebate cards. We are legally required to return the property to the rightful owners no matter how long it takes. Individuals can search our database at www.illinoistreasurer.gov/ICASH.

For nearly six decades, the state has had the responsibility to return unclaimed property. The record-breaking results of the past few years show progress is possible when we listen to new ideas and find new ways to leverage technology. Thank you for your ideas and support.

Sincerely,
Michael W. Frerichs
Illinois State Treasurer

Bright Start

Paying for College

Many families will send their children to college in the coming months. Families who used a Bright Start 529 college savings plan are well-positioned to meet the financial demands of higher education. Here are some tips to remember to take maximum advantage of the program:

- Make sure you keep receipts. Bright Start does not require proof of your expenses, but you will want documentation in the event the IRS asks questions.
- Match any withdrawal from your Bright Start account in the same calendar year as the college expense.
- Checks from Bright Start can be issued to the person who controls the account, the student, or the school. If paid to the student or school, the money may need to be reported on the student's income taxes.
- If a student receives a refund, the money must go back into the Bright Start account within 60 days to avoid taxes.
- More information regarding qualified expenses and answers to other common questions about the Bright Start 529 plan can be found here.

Remember, independent analyst Morningstar rated Bright Start a Gold Rated plan, the highest available rating.

Saving for Retirement

Secure Choice

Employers should know the next Secure Choice deadline is July 31.

Secure Choice is the retirement savings program that ***travels with the worker*** and helps a person save their own money for their own retirement when their employer does not offer a retirement savings plan.

By July 31, employers with a workforce between 100 and 499 individuals must offer a retirement savings plan or participate in Secure Choice. The deadline for large employers was November, 2018. Employers with a workforce between 25 and 99 must choose by November, 2019.

Approximately 10,000 employees have saved more than $2 million through Secure Choice.

When fully implemented, Secure Choice will give 1.2 million private-sector workers the ability to save at work. This is critically important to address the national retirement savings crisis because AARP research shows that workers are 15-times more likely to save if payroll deductions are offered.

Employers also are protected. Employers cannot contribute to the accounts, do not make decisions about how the program is managed or how the money is invested, and have no fiduciary liability.

Questions? Visit here or call (855) 650-6913.