

**TASK FORCE ON UNCLAIMED LIFE INSURANCE POLICIES**

Meeting of Tuesday, September 6, 2016  
Western Illinois University – Quad Cities Complex  
3300 River Drive, Moline, Illinois 61265

---

**MEETING MINUTES**

The September 6, 2016 meeting of the Task Force on Unclaimed Life Insurance Policies was called to order at 10:00 a.m.

**TASK FORCE MEMBERS PRESENT**

Michael Frerichs, Chair – *Illinois State Treasurer*  
Representative Pat Verschoore – *State Representative*  
Berlinda Tyler-Jamison (NAACP) – *Public Representative*

**TASK FORCE MEMBERS ABSENT**

Kemper Corporation – *Insurance Industry Representative*  
Senator William Haine – *State Senator*  
Senator Jacqueline Collins – *State Senator*  
Representative Dan Brady – *State Representative*  
William McNary (Citizen Action Illinois) – *Consumer Advocate Representative*  
Ryan Gruenenfelder (AARP) – *Senior Citizen Advocate Representative*

**TREASURER'S STAFF**

Catherine Shannon, *Director of Legislative Affairs*  
Lee LoBue, *Advocacy Director*

**CHAIRMAN'S REMARKS – TREASURER MICHAEL FRERICHS**

Treasurer Frerichs provided an opening statement regarding the background, creation and purpose of the Task Force on Unclaimed Life Insurance Policies. Treasurer Frerichs introduced members of the Task Force in attendance and allowed time for each to make a statement. Berlinda Tyler-Jamison made opening remarks.

Catherine Shannon, Director of Legislative Affairs for the Office of the Treasurer, discussed and displayed a PowerPoint presentation providing an overview and update on HB 4633, which was signed into law by the Governor last month as Public Act 99-893.

**SCHEDULED GUESTS/WITNESSES**

Larry and Lynne Meeske of Moline, IL appeared as life insurance beneficiaries and provided testimony on Mrs. Meeske's father's unclaimed life insurance policy. They discussed their experience in claiming the life insurance policy through the Treasurer's Office. The policy was learned of through a newspaper ad placed by the Treasurer's Office and other unclaimed property has also been found. They were unaware of the policy existing and it went unclaimed for many years. The Meeske's took questions from Treasurer Frerichs and Mrs. Tyler-Jamison regarding the details

of the policy and policy holder and the time it took to claim the policy. Mr. Meeske asked about the use of “modern technology” instead of newspapers to notify beneficiaries. Treasurer Frerichs mentioned other ways the Treasurer’s Office provides notifications to owners of unclaimed property.

Crystal Clark and William VanBrunt of Moline, IL appeared as life insurance beneficiaries and provided testimony on the unclaimed life insurance policy of the witnesses’ wife and mother. The policy was uncovered by audits setup by the Treasurer’s Office and reported to them through due diligence of the insurance company after the audit. They did not know the policy existed and when contacted they thought it was a scam. The policy was paid seven years after the policy holder passed. Ms. Clark and Mr. VanBrunt took questions from Treasurer Frerichs and Mrs. Tyler-Jamison regarding the details of the policy and policy holder and how the returned money was helpful. Mrs. Tyler-Jamison stated that she believes that the interest accrued on unpaid policies should be returned to the beneficiaries along with the other death benefit. The Treasurer stated this could be a possibility for future legislation.

Rick Cory, Deputy Director of Compliance, Unclaimed Property Division at Office of the Treasurer, appeared as a representative from the unclaimed property field. Mr. Cory took questions from Treasurer Frerichs regarding the audit process of unclaimed life insurance policies, how policies are identified, the use of internal auditors, and how process would change if insurance companies did their own audits. Rep. Verschoore asked if there are penalties or fines for companies that don’t comply. Mr. Cory stated there are policies in place but are used sparingly. Mrs. Tyler Jamison referenced the 60 Minutes segment and asked if there are issues with companies that draw down money from policies to pay premiums. Mr. Cory stated that is an issue that needs to be addressed.

#### **TASK FORCE MEMBER DISCUSSION**

Discussion was opened for additional comment on unclaimed life insurance policies by Task Force members. Mrs. Tyler Jamison recommended that insurance companies pay interest on unpaid policies. She also shared a personal story of recently going through the process of claiming a policy herself from the Treasurer’s Office that was discovered in the newspaper. She stated the process was beneficiary friendly. Rep. Verschoore stated he’d like to add more teeth to the pursuit of companies not paying benefits and that premiums that have been taken out of potential payouts should be returned to the policies.

#### **PUBLIC COMMENT**

No public comment was provided.

#### **UPCOMING MEETING DATES**

Treasurer Frerichs announced the upcoming date and location for a scheduled hearing in Rockford.

#### **RECESS**

Treasurer Frerichs recessed the Task Force on Unclaimed Life Insurance Policies to the call of the chair.