



Treasurer's Note

Common Sense

I am proud to share the news that we just launched a new investment program to help pay down our state's bill backlog and save Illinois residents as much as \$70 million each year.

As many of you know, the state treasurer is the state's chief investment officer. The dollars we invest come to us through more than 700 separate state funds. Each fund only can be used for a specific purpose. For example, there is a fund for road building, a fund for the state fair, and a fund to clean hazardous underground storage tanks.

Money from each fund is pooled together to make up our \$12 billion state investment portfolio. Many investments are overnight so money is available to pay incoming obligations. Other investments do not mature for up to five years. Regardless of duration, our investment approach is cautious and state law limits the types of risk we can assume.

This year, we proposed the Investing in State Receivables Act. This commonsense approach allows the state treasurer's office to invest in these past-due bills. Rep. David Harris, a Republican from Arlington Heights, called the legislation "one of the most creative and innovative programs to save money that has ever come before the House."

Currently, late-interest penalties on the bill backlog are as high as 12 percent. In 2017 alone, it is estimated late interest payments exceeded \$1 billion. By contrast, we can invest in the bill backlog and charge a more reasonable 3.5 percent. Together, that equals a \$70 million savings for Illinois taxpayers.

I believe in transparency. That is why the terms and conditions of the investments are available at our website, www.illinoistreasurer.gov.

It is a challenging time for Illinois families. Our friends and neighbors face many pressures. That is why innovative ideas are needed now more than ever. I am glad Democrats and Republicans agreed with our commonsense approach.

Sincerely,
Michael W. Frerichs
Illinois State Treasurer



The Vault

Transparency in Government

Transparency is the hallmark of the state treasurer's office. That is why we built [The Vault](#) website.

It offers detailed information on investment programs, financial services and businesses activities inside the state treasurer's office.

Information about the treasury's \$30 billion portfolio is presented so users can easily compare and filter data through charts, tables and graphs.

Available at www.iltreasurervault.com, The Vault also shows the treasury's business transactions with firms based in Illinois and firms owned by minorities, women, Veterans, or a person with a disability.

The purpose of government is to serve people. However, too many people do not trust their elected officials. To regain that trust, elected officials must show how their actions help the people of Illinois.

[The Vault](#) is an important step to regain the trust of the people of Illinois.



Investing in Yourself

Do You Qualify for A Better Life Experience? Answers to Your Questions about ABLE

The Illinois **A**chieving a **B**etter **L**ife **E**xperience program, also known as ABLE, is a way for individuals with disabilities to save and invest their own money without jeopardizing their federal benefits.

Before ABLE, individuals with disabilities who received Supplemental Security Income (SSI) and some other means-tested federal benefits could not have more than \$2,000 in assets without losing those federal benefits. Now, ABLE accounts allow for annual contributions of up to \$15,000 and raises the net-worth ceiling to \$100,000.

Further, ABLE account holders who work but do not participate in an employer-sponsored retirement plan can exceed the \$15,000 contribution limit by at least \$12,000, depending upon their wages.

Other common questions include:

Q: If I have a special needs trust can I still open an ABLE account?

A: Yes. ABLE accounts are a great complement to a special needs trust.

Q: If I am not receiving SSI or SSDI, do I qualify for an ABLE account?

A: You might. If you have a physical or mental disability that can be expected to last for at least a year or can cause death; or you are blind; or your disability is included on the Social Security Administration's List of Compassionate Allowances Conditions; and the blindness or disability occurred before the age of 26. You will need a doctor to certify your condition in writing.

Q: How do I know if I can afford an ABLE account?

A: An account can be opened with as little as \$25. Banking options include a checking account with a debit card. Investment options include six risk levels ranging from cautious to aggressive.

Q: Do I have to live in Illinois to open an ABL Illinois account?

A: No. You can live in any state, including a state such as Wisconsin, which does not offer an ABL investment option.

To open an ABL account, or for more information, please click [here](#).

You also can contact JJ Hanley at (312) 814-2677
or jjhanley@illinoistreasurer.gov.



Sunday, November 4

Don't Forget to Fall Back

On Sunday, Nov. 4 at 2 a.m., Daylight Savings Time ends and clocks move back one hour. What will you do with your extra 60 minutes of time? Why not check to see if your name, or that of a friend or loved one, is due unclaimed property by visiting www.icash.illinoistreasurer.gov. As you know, the holidays are right around the corner.

If you would like to contact the Office of the Illinois State Treasurer, please visit our [contact us](#) page.

To modify your e-mail options or opt out of receiving the Office of the Illinois State Treasurer's electronic communications, please [click here](#).

