



OFFICE OF ILLINOIS STATE TREASURER

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Illinois State Treasurer Michael Frerichs Visits Rock Island County Treasurer Nick Camlin

Offices Can Be Economic Engines for State and Local Areas

ROCK ISLAND – Illinois State Treasurer Michael Frerichs today met with Rock Island County Treasurer Nick Camlin to collaborate and explore opportunities to assist area residents.

Identifying ways to leverage unclaimed property, expand the use of Ag Invest and broaden participation in plans to help pay for college and save for retirement rose to the top of the list.

“The treasurer’s office really is an economic engine,” Frerichs said. “In addition to investing money in a safe and responsible manner, we also provide programs that drive positive economic outcomes, especially those that help working families.”

“I am excited to meet Treasurer Frerichs because he has a great track record of public service and I hope to emulate the service here in Rock Island County,” Camlin said.

Returning unclaimed property to Illinois families is a core, yet little-known, function of the Illinois treasury. Illinois’ \$3.5 billion unclaimed property program - also known as I-CASH - is one of the state’s oldest consumer protection initiatives and safeguards the contents of overlooked safe deposit boxes, unpaid life insurance benefits, forgotten bank accounts and unused rebate cards until the items or their value can be returned to the proper owner, no matter how long it takes.

Frerichs’ office returned nearly \$22.7 million to more than 11,300 people during March, among the highest totals in the nation. Frerichs’ office has returned more than \$1.6 billion since Frerichs took office in January 2015. The record-setting performance is the result of a complete restructuring of the unclaimed property process to add electronic claims, eliminated red-tape that slowed small-money claims, and leverage technology to allow payments to be made without a claim even needing to be filed.

Quad City-area residents can check the unclaimed property database at icash.illinoistreasurer.gov.

The Ag Invest program provides loan opportunities through local banks and credit unions in Illinois to provide low interest loans to farmers to start, expand or add value to farm operations. Since 2015, the program has supported more than 5,000 agriculture borrowers and partnered with more than 35 financial institutions to provide more than \$1 billion in financing and credit.

Loans can be used for the purchase of farm equipment, land, construction-related expenses, operating lines of credit or other costs related to conventional or sustainable farming.

Ag Invest, the nation's most expansive agriculture deposit program, also celebrates its 40th anniversary this year. Since its inception in 1983, Ag Invest has loaned more than \$5 billion in operating lines of credit and long-term loans.

[A Bright Start 529 college savings plan](#) is a great way to inspire students to attend college or vocational school.

A child is three times more likely to attend college if they know they have a dedicated college savings account, according to research from the Center of Social Development at Washington University in St. Louis. Ensuring nationally recognized 529 programs is one-way Frerichs' office makes college more accessible. Therefore, a Bright Start account is a great way to share the importance of education, set high expectations for children, and dramatically lessen the need for student loans.

Contributing to a 529 Bright Start account also is a great way to maximize tax advantages. The State of Illinois offers an [income tax deduction](#) of up to \$10,000 (\$20,000 for married couples filing jointly) for contributions made to a Bright Start account.

Since 2015, Frerichs has worked with Union Bank & Trust, the program manager, to reduce fees and ensure more investment dollars go directly to college savings. These changes have helped the plans grow to more than 833,000 accounts with more than \$15 billion in assets.

[The Illinois Secure Choice retirement savings](#) program eclipsed the \$100 million milestone earlier this year. The threshold signals a growing recognition that workers understand Social Security alone will not provide enough income after their working days are over and reflects data that shows workers are more likely to save for retirement if they can do so through workplace payroll deductions.

“Secure Choice helps workers in Illinois retire with dignity and confidence,” Frerichs said. “The program is one way my office provides people the tools to achieve the American Dream.”

Illinois Secure Choice allows workers to save for retirement through Individual Retirement Accounts (IRAs) funded by payroll deductions facilitated by their employers. The default option for participants is to enroll in a target-date Roth IRA with a 5 percent contribution rate. Participants can choose to change their contribution level or fund option at any time. Accounts are owned by individual participants and are portable from job-to-job. Investments are held in a separate trust outside the Illinois Treasury and are managed by private-sector investment managers.

The General Assembly created Illinois Secure Choice in 2015 and declared employers must either offer a retirement savings program or participate in Illinois Secure Choice. Lawmakers assured employers they would not be responsible for investment decisions and barred them from contributing to a worker's account. Lawmakers assured workers their accounts would travel with them if they changed employers.

Today, 117,000 workers, many of whom never thought they could save for retirement, have worked with 9,350 employers to set aside more than \$100 million.

Enrollment was apportioned by employer size so as not to overwhelm employers. Wave one in 2018 included employers with 500 or more employees. Wave two in 2019 included employers with 100-499 employees and another wave that same year included employers with 25-99 employees. The deadline for

wave four, employers with 16 or more employees, was Nov. 1, 2022. The deadline for wave five, employers with five or more employees, is Nov. 1, 2023. Eligible employers can register or report an exemption at www.ilsecurechoice.com any time before their applicable deadline.

Illinois Secure Choice is critical because 40 percent of the state's private-sector workers do not have access to an employer-sponsored retirement plan. The numbers are even higher for those at small businesses. Among businesses with 10-24 employees, nearly 59 percent of workers are not covered by a workplace retirement plan, and for businesses with fewer than 10 employees, that figure is nearly 73 percent, according to [AARP](#).

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. And there's a need to save - 23 percent of Illinois seniors rely upon Social Security for 90 percent of their retirement income, although Social Security was not designed to be the sole source of income in retirement.

About the Illinois Treasurer

As Illinois State Treasurer, Michael Frerichs (FRAIR'-ikz) is the state's Chief Investment and Banking Officer and actively manages approximately \$52 billion. The portfolio includes \$26 billion in state funds, \$17 billion in retirement and college savings plans and \$9 billion on behalf of local and state governments. Frerichs' office protects consumers by safeguarding more than \$3.5 billion in unclaimed property, encouraging savings plans for college or trade school, increasing financial education among all ages, assisting people with disabilities to save without losing government benefits, and removing barriers to a secure retirement. The Treasurer's Office predates Illinois incorporation in 1818. Voters in 1848 chose to make it an elected office.

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