



Michael W. Frerichs

ILLINOIS STATE TREASURER

FEBRUARY 2020 E-NEWSLETTER



Treasurer's Note

Making College More Affordable

I believe we have a new and innovative way to help more families attend college or trade school.

Illinois lawmakers agree and authorized the treasurer's office to incentivize financial institutions such as banks and credit unions to make college loans more affordable and flexible.

This is not a handout. This is not free money. This is helping those who want to help themselves.

This issue is critically important. Today, there is more student loan debt in America than there is credit card debt.

In Illinois, student debt shackles more than 2 million people. The median amount of this debt is \$18,000. Twelve percent of these borrowers have had their loans referred to a collection agency.

If we change this trend, we can help every corner of Illinois. Student loan debt is a silent drag on the economy that weighs upon us all. It delays home purchases, business start-ups, and other economic investments.

Identifying a path to creating more affordable college loans is a logical first step. However, there are other ways to make higher education more attainable. We hope to explore these possibilities in the coming months and I welcome your feedback.

College is not for everyone. However, for those families who want to pursue a college degree, we should do everything possible to make sure it is affordable.

Sincerely,
Michael W. Frerichs
Illinois State Treasurer



Retire with Dignity

Frerichs Honored as Leader For Retirement Savings Work

The Center for Retirement Initiatives honored Illinois State Treasurer Michael Frerichs with the inaugural 2020 Distinguished State Leader Award.

The Center is within the McCourt School of Public Policy at Georgetown University in Washington D.C.

The recognition cites the success of Illinois Secure Choice, the statewide retirement savings program that already has more than 52,000 new savers and more than \$14.7 million in savings in just 14 months.

Calling him a “pioneer” in improving access to retirement savings, the Center said Frerichs’ leadership has been felt nationwide in the effort to grow retirement savings for all Americans.

Secure Choice launched in November 2018 and uses an automatic payroll deduction to help workers save their own money for retirement. The IRA investment is portable and travels with the worker when a job change occurs.

More information about Secure Choice is available [here](#).



Unclaimed Property

Track Your Bank Accounts at Tax Time

In Illinois, bank and investment accounts are common forms of unclaimed property that are surrendered to the Illinois State Treasurer's Office.

These accounts typically become unclaimed property because they rarely are touched or only one person knows they exist.

Tracking these accounts once each year is a great way to make sure your money stays with you and does not become unclaimed property.

Now is an excellent time to create a list of existing accounts because financial institutions send information needed to prepare tax returns. Once a list is made, the list can be checked each year. If an account is missing from the list next year, you can recover the money before it is sent to the state.

In Illinois, property typically is considered unclaimed if the owner has not touched it in three or five years. For example, a savings account without activity for three years could be considered unclaimed property.

Individuals, businesses and non-profits could have unclaimed property. Because items are surrendered twice each year, the Illinois treasury encourages individuals to search twice each year. You can begin your search [here](#).

The treasurer's office is legally required to return the property to the rightful owners no matter how long it takes.



Charitable
Trust



Charitable Trust

Grant Money Available to Small Non-Profits

The Charitable Trust grant program provides money for non-profit organizations with annual budgets of \$1 million or less.

The current emphasis is to fund organizations that focus in one of three areas: Food Programs, Housing, and Workforce & Economic Development.

The current application window is open until March 31, 2020. Visit www.illinoistreasurer.gov to complete an application or contact the treasurer's office at (312) 814-1817. Awardees are selected by an 11-member board.

Charitable Trust grant money comes from filing fees non-profits pay when incorporating in Illinois, not personal or property tax dollars.

One hundred non-profit organizations have shared more than \$2.2 million through the Charitable Trust Stabilization Fund since the program was established in 2017.

The next application cycle is July 1 to September 30, 2020.



What Does the Treasury Do?

Did You Know?

Units of local government can earn higher rates of return by pooling their investment money through the Illinois Treasurer's Office.

The Illinois Funds is a \$6 billion investment pool that started in 1975. It is designed to complement, not replace, local banking relationships.

There is no minimum investment and terms can be as short as overnight.

The Illinois Funds annually receives a top score from [Standard and Poor's](#).

For more information, please call the treasurer's office toll free at (800) 947-8479 and press option 2.