

TASK FORCE ON UNCLAIMED LIFE INSURANCE POLICIES

Meeting of Thursday, August 25, 2016

Richland Community College

1 College Park, Decatur, Illinois 62521

MEETING MINUTES

The August 25, 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 Sue Scherer – *State Representative*

Senator Sam McCann – *State Senator*

William McNary (Citizen Action Illinois) – *Consumer Advocate Representative*

Ryan Gruenfelder (AARP) – *Senior Citizen Advocate Representative*

Michael Diggs (NAACP) – *Public Representative*

TASK FORCE MEMBERS ABSENT

Kemper Corporation – *Insurance Industry Representative*

Senator Jacqueline Collins – *State Senator*

Representative Dan Brady – *State Representative*

TREASURER'S STAFF

Allen Mayer, *Deputy General Counsel*

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. William McNary and Ryan Gruenfelder each made opening remarks. Treasurer Frerichs recognized individuals from State Farm Insurance in attendance and thanked them for coming.

Allen Mayer, Deputy General Counsel for the Office of the Treasurer, discussed and displayed a PowerPoint presentation providing an overview and update on House Bill 4633.

SCHEDULED GUESTS/WITNESSES

Sherry Mayberry of Wood River, IL appeared as a life insurance beneficiary and provided testimony on her mother's unclaimed life insurance policy and her experience in finding and claiming the life insurance policy through the Treasurer's Office. Mrs. Mayberry stated she learned of policy when her cousin read her name in an ad placed by the Treasurer's Office in the paper listing people with unclaimed property. She was also later contacted by the office. Mrs. Mayberry took questions from Treasurer Frerichs, Representative Scherer, Senator McCann, and Mr. McNary regarding the details of the policy and the time it took to claim the policy.

Doris McGee of Savoy, IL appeared as a life insurance beneficiary and provided testimony on her father's unclaimed life insurance policy of which her mother was the beneficiary. Mrs. McGee stated she learned of the policy from a newspaper ad placed by the Treasurer's Office and from others who contacted her about the ad. Mrs. McGee said he was never contacted by the insurance company and discussed the difficulties she had in finding other policies with companies changing names and other errors. She stated she think policy holders should get the interest made on unpaid policies. Mrs. McGee took questions from Treasurer Frerichs, Representative Scherer, Mr. Gruenenfelder, and Mr. McNary regarding the details of the policy and process of discovering and claiming policies.

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 process of unclaimed property with unclaimed life insurance policies and examinations, the due diligence process by life insurance companies, and use and need of external auditors for life insurance audits.

TASK FORCE MEMBER DISCUSSION

Discussion was opened for additional comment on unclaimed life insurance policies by Task Force members. Rep. Scherer asked if Kemper Corporation was in attendance and that she'd like the Governor to sign the pending legislation since he is also having an event at the college today. Rep. Scherer shared a personal story on efforts to claim insurance policies. Sen. McCann commended insurance companies that are doing it the right way and stated that signing of the legislation should be a no brainer. Mr. McNary shared a story of his first job out of school being a life insurance salesman and said the issue is very personal to him. Mr. Gruenenfelder suggested it should be considered to have a site, like Yelp, that shows reviews of insurance companies who are doing the job of paying the benefits. Michael Diggs from NAACP stated his support of the efforts.

PUBLIC COMMENT

No public comment was provided.

UPCOMING MEETING DATES

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

RECESS

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