

**TASK FORCE ON UNCLAIMED LIFE INSURANCE POLICIES**

**Meeting of Monday, August 29, 2016**

**John A. Logan College**

**700 Logan Drive, Carterville, Illinois 62918**

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**MEETING MINUTES**

The August 29, 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*

Senator Sam McCann – *State Senator*

Senator Gary Forby – *State Senator*

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

Tanya Young, Sr. (NAACP) – *Public Representative*

**TASK FORCE MEMBERS ABSENT**

Kemper Corporation – *Insurance Industry Representative*

Representative Robert Martwick – *State Representative*

Representative Dan Brady – *State Representative*

William McNary (Citizen Action Illinois) – *Consumer Advocate 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. Senator Forby, Senator McCann, Mr. Gruenfelder, and Mr. Young each made opening remarks.

Allen Mayer, Deputy General Counsel for the Office of the Treasurer, discussed and displayed a PowerPoint presentation providing an overview and update on HB 4633, which he noted was signed into law by the Governor on August 26 (Public Act 99-893).

**SCHEDULED GUESTS/WITNESSES**

Gayle Klam of Carbondale, IL appeared as a life insurance beneficiary and provided testimony on her father-in-law's unclaimed life insurance policy and her experience in claiming the life insurance policy through Prudential Insurance. The policy was uncovered by audits setup by the Treasurer's Office and reported to Mrs. Klam through due diligence of the company after the audit. Mrs. Klam stated she was unaware of the policy that her late husband was the beneficiary of. She stated it was a hassle and very difficult to claim the policy. Mrs. Klam 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.

Video recorded testimony of Barbara Stokes of Edinburg, IL and Charlene Clark of Springfield, IL was played to the Task Force and audience. The video testimonials provided each individual's story of being an unclaimed life insurance policy beneficiary.

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 notices are utilized to reach beneficiaries, and use and need of external auditors for life insurance audits.

Written testimony from United Labor Life Insurance Company (ULLICO) was submitted and read into the record by Treasurer Frerichs.

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

Discussion was opened for additional comment on unclaimed life insurance policies by Task Force members. Treasurer Frerichs and Mr. Young, who is an ex-insurance representative, shared discussion on life insurance companies and their payment practices.

#### **PUBLIC COMMENT**

No public comment was provided.

#### **UPCOMING MEETING DATES**

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

#### **RECESS**

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