



ILLINOIS STATE TREASURER

MICHAEL W. FRERICHS

WHAT'S NEW

TREASURER'S NOTE



Achieving a Better Life Experience

Illinois is a leader in the fight to help individuals with disabilities remain financially independent.

Key to this battle is the ability to save money for expenses without triggering costly federal penalties.

That is why I am excited to share an update on a new tool to help families facing challenges such as autism, Down Syndrome, blindness, or someone who has suffered a debilitating injury before the age of 26.

Earlier this year, Illinois lawmakers passed SB 1383. It often is referred to as Achieving a Better Life Experience, or ABLE. My thanks to Senator Scott Bennett of Champaign Representative, and Kelly Burke of Oak Lawn, who guided the proposal through the Legislature. ABLE still needs the Governor's signature, and I am hopeful that he will do so.

ABLE is modeled after 529 college savings plans available through my office. ABLE will allow families of children with disabilities to pursue a tax-advantaged savings plan that will not impact means-tested federal programs such as Supplemental Security Income and Medicaid. Currently, the savings cap is \$2,000 before federal penalties are triggered. This legislation raises the annual cap to a more reasonable \$14,000.

Once signed into law, we then must wait for federal officials to create the rules that will govern portions of ABLE. Those who know me know I can be impatient when trying to fix an obvious need. That is why I am hosting leaders from other states who also believe that ABLE is important. Together, we can identify best practices and gather information to assist federal officials and shorten the rule-making process.

The Treasurer's Office invests money on behalf of our state and our residents. But I've always believed the office must also invest in people. We invest in people by making tools available so they can invest in themselves.

ABLE, like our college savings plan, is one tool to help our neighbors achieve their dreams.

Sincerely,
Michael W. Frerichs

LEARN MORE AT: WWW.ILLINOISTREASURER.GOV



TREASURER FRERICHS PARTNERS WITH FINANCIAL INSTITUTIONS TO HELP WORKERS DURING BUDGET IMPASSE

To help ensure state workers have more financial options in the event they do not receive their payroll checks due to the budget impasse, the Treasurer's Office is working with the Illinois Credit Union League and other financial institutions to offer loans.

The loans will be issued through participating financial institutions with money made available through the Treasurer's Office linked-deposit program. Linked deposits provide financial institutions money for specific loan programs.

"The Treasurer's Office uses tools to help our residents achieve more, such as saving for college, investing in a business or planning for retirement," Frerichs said. "This linked-deposit program is a tool that provides short-term loans for workers while the Governor and General Assembly resolve their differences."

An estimated 60,000 state workers might qualify for the loan program. Participating financial institutions will decide eligibility. Loans cannot exceed 50 percent of pay. Loans are interest-free until 30 days after payroll resumes. A 9.9 percent interest rate will be charged beginning the 31st day. Frerichs' office negotiated the rate down from 12 percent and it remains half of the typical credit card rate. The Treasurer's Office will charge financial institutions 0.01 percent interest. The Treasurer's Office will make as much as \$50 million available for the loans.



JOIN THE ILLINOIS STATE TREASURER'S OFFICE AT THE ILLINOIS STATE FAIR

If you make it to the Illinois State Fair in Springfield or DuQuoin, we hope you stop by the Illinois State Treasurer's Tent to meet our staff and learn more about our programs.

Our tent will feature I-Cash searches to help you find property that belongs to you, a live online auction, information about college savings plans, games and giveaways.

The Illinois State Fair in Springfield begins on August 13th and runs through August 23rd. The DuQuoin State Fair in DuQuoin begins on August 25th and ends on September 7th. For more information about the Illinois State Fair, visit www.illinois.gov/statefair/Pages/default.aspx or www.agr.state.il.us/dq/.

We hope to see you there!

LEARN MORE AT: WWW.ILLINOISTREASURER.GOV



TREASURER'S COLLEGE SAVINGS PLAN TOPS 400,000 ACCOUNTS

Illinois reached a major milestone when the 400,000th college saving plan was recently opened through the Illinois Treasurer's Office.

Because educational attainment is the best predictor of employability, saving for college should begin early. A college savings account can be opened through the Treasurer's Office for as little as \$25.

It also is important that the child knows that they have a college savings account. A Washington University in St. Louis study concluded that a child is up to seven times more likely to attend college if they know there is a college plan in their name.

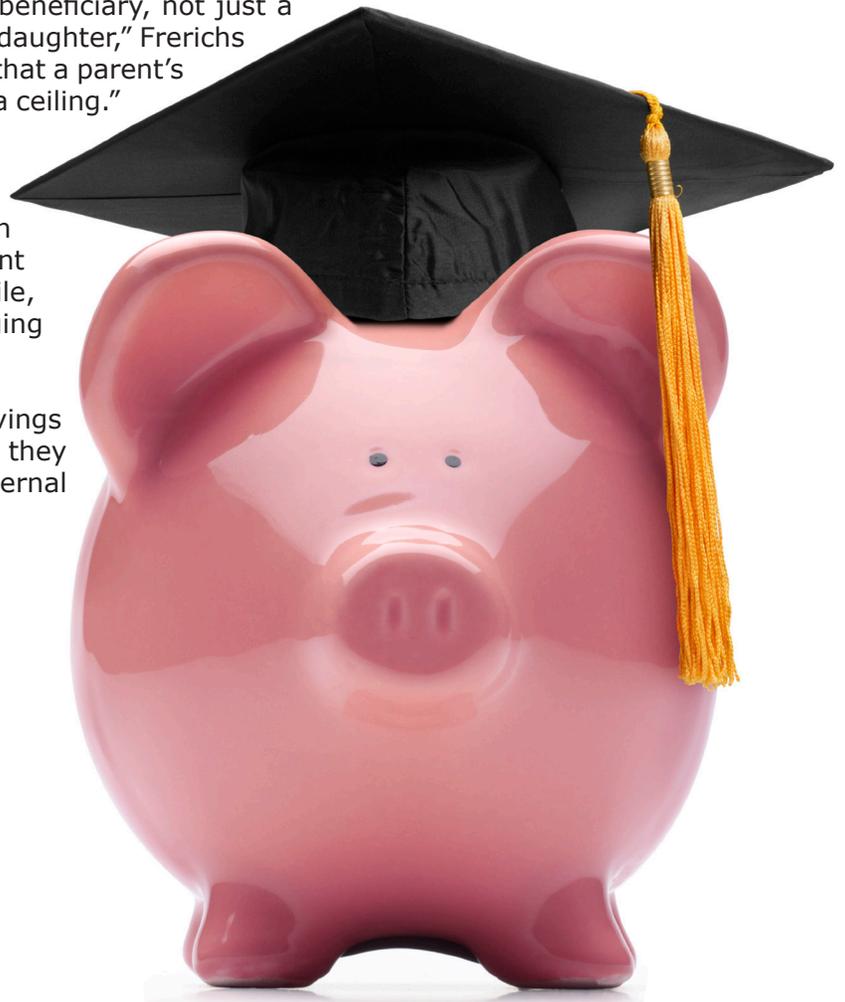
"Opening a college savings account is an important first step on the path to success," Frerichs said. "For less than the cost of a tank of gas or a couple of pizzas, anyone can open a college savings account and set the expectation that the child will graduate college."

For more information about opening a Bright Start or Bright Directions college savings account, visit www.illinoistreasurer.gov. Participants can choose from a wide range of investment options or seek guidance from a financial advisor. Age-based options where the underlying investments become more conservative as the beneficiary gets closer to college-age also are available. Savings can be used at any qualified institution nationwide, including technical schools.

"Anyone can open an account for any beneficiary, not just a parent or relative and not just a son or daughter," Frerichs said. "We need to instill in our children that a parent's educational success can be a floor, not a ceiling."

A college degree or technical school certificate tells employers that the individual has critical thinking skills, can learn, and is reliable. This is important because employers demand an agile, trainable workforce to respond to changing market conditions.

These tax-advantaged college savings accounts are called 529 plans because they are named after Section 529 of the Internal Revenue Code. They are different than pre-paid tuition plans.



DO WE HAVE MONEY THAT BELONGS TO YOUR ORGANIZATION?

The Illinois Treasurer's Office holds more than \$2 billion in unclaimed property.

These typically are items forgotten in a safe deposit box or a payment that was not received. However, the valuables also could have been intended for an organization that, for whatever reason, never received the donation.

Just as individuals are encouraged to search for unclaimed property, individuals also are encouraged to search on behalf of an organization.

Visit www.illinoistreasurer.gov to search for property by name.

Last year, 1 in 4 adults who we helped search the I-Cash database found forgotten cash or property. The average value was \$1,000. Each year, we return to their rightful owners about \$150 million in cash and valuables. And yet, each year we receive \$250 million in cash and unclaimed property.

That is why it is a good idea to check the website often. Make it a birthday tradition. Or when you change the clocks and smoke detector batteries when Daylight Savings Time changes.

It's your money – and your organization's money. Go and get it.



When you arrive at the Treasurer's homepage, click the **I-Cash** button beneath the treasurer's name.



When you search and find an item, **mark the box** on the left side of the entry.



Scroll down using the scroll bar on the search page, or the downward arrow, *(not the scroll bar on your website browser)*. Then select **'claim properties'** at the bottom of the page to continue your claim.