



ERICK RUSSELL
TREASURER

State of Connecticut
Office of the Treasurer

SARAH SANDERS
DEPUTY TREASURER

June 7, 2024

Office of Regulations and Interpretations
Employee Benefits Security Administration
Room N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Attn: Amendments to the Abandoned Plan Program regulations interim final rules, RIN 1210-AC04

RE: Utilization of State Unclaimed Property Programs to Facilitate the Return of Uncashed Retirement Plan Distributions to Owners

As Connecticut's State Treasurer, I appreciate the opportunity to respond to the Department's request for comment regarding "whether the current Abandoned Plan Program options for distributions to State unclaimed property programs should be expanded."¹ As the official in Connecticut responsible for unclaimed property, I strongly believe that state programs are best positioned to expedite the process of reconnecting residents with their rightfully owned retirement savings. As the ERISA Advisory Council concluded nearly five years ago, "state unclaimed property programs have a number of features that may increase the likelihood that Missing Participants will be reunited with their lost retirement savings."²

Connecticut has a proven track record of reuniting individuals with their unclaimed property. In its history, over \$1 billion in funds have been returned to rightful owners. In Fiscal Year 2023, we successfully returned \$72 million to 72,981 owners, a record-high for the program. This reflects our ongoing commitment to utilizing best-in-class technology, collaborating with other state agencies and local organizations, and consistently communicating with the public to locate and return missing funds.

Nationally, state unclaimed property programs returned a record-breaking \$5 billion to owners in 2023. Our success is facilitated by the user-friendly CTBigList.gov unclaimed property website and the national search platform, MissingMoney.com. In the last year alone, the national database saw 19 million searches and over one million claims filed directly through the site.

Our dedicated team of public servants works to locate missing owners, process claims efficiently, and prevent fraud. We continually pursue advancements in technology and communication techniques to

¹ Pg 43648, Federal Register, Vol. 89, No. 97, Friday, May 17, 2024, Rules and Regulations

² ERISA Advisory Council Report – Voluntary Transfers of Uncashed Checks from ERISA Plans to State Unclaimed Property Programs (November 2019) at page 39.

maximize our reach and ensure that rightful owners are reunited with their assets. In my time in office, the Office of the Treasurer has prioritized updating internal processes, training and retaining key staff, and implementing new software tools to maximize our effectiveness and position the program for sustained, long-term success.

In contrast to financial institutions or rollover IRA custodians, leveraging existing state programs eliminates the issue of account fees potentially outpacing returns. Our program does not charge fees to hold or claim property, and there is no time limit for owners to claim their funds. Connecticut's unclaimed property program is known and trusted among the public, presenting an opportunity to accelerate the process of reuniting participants with their missing retirement funds. It also aligns with our core mission of financial responsibility and taxpayer advocacy.

Additionally, the States' Unclaimed Retirement Clearing House (SURCH) initiative proposed by the National Association of State Treasurers, of which I am a part, offers a streamlined, no-cost solution for active retirement plans to transfer uncashed distribution checks to state programs. This centralized reporting entity will eliminate the administrative burden on plans and ensure seamless compliance with state requirements.

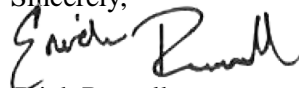
I believe these programs should have a much larger role to play in reuniting individuals with missing retirement funds for all plans — abandoned, terminated, or active. By leveraging the proven success and infrastructure of state unclaimed property programs, we can significantly increase the likelihood of reuniting missing participants with their retirement savings.

I urge the Department to expand the Abandoned Plan Program to allow state unclaimed property programs to serve as the primary vehicle for reuniting individuals with their uncashed distribution checks.

I also encourage the Department to finalize a rule establishing a safe harbor for the voluntary transfer of uncashed distribution checks from both active and abandoned or terminated plans to state unclaimed property programs.

Thank you for your work and the opportunity to comment on this important matter.

Sincerely,



Erick Russell

Connecticut State Treasurer