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Unclaimed cash

State tries to reunite people with their money

MONTPELIER – In a New York Lottery television commercial, a man screams "money" as bundles of bills fall from the sky.

Vermont has money to give out as well – a whopping \$37 million. But the millions available through the Unclaimed Property Division of the State Treasurer's Office attract more idle curiosity than shrieks of excitement.



At a recent Burlington exposition, State Treasurer Jeb Spaulding helped Vermonters check a database to see if they were owed money. The unclaimed millions are also featured on radio commercials, newspaper inserts, the Champlain Valley Fair annually and the Yankee Sportsman Classic, in direct mailings and passed along in lists of names to legislators and town clerks as the Unclaimed Property Division tries to create a buzz and do its job of returning money.

State Treasurer Jeb Spaulding and state unclaimed property technician Linda Bouffard look over a chart depicting the amount of unclaimed property the state has managed over the years.

Photo: Stefan Hard / Times Argus

Currently, the Vermont treasury holds financial property, such as insurance policies, paychecks, child support payments, some unredeemed gift cards and tax refunds owed to Vermonters by Vermont companies or the state. The investment of these funds currently earns the state about \$1 million annually in interest – \$217,000 more than the cost to operate the four-employee, paper heavy Unclaimed Property Division.

"It's really their money sitting in the state treasury, and it's our job to get it back to them," Spaulding said.

And the state has plenty to give. The money available spiked in 2004 and if Spaulding gets his way, it will soon spike again.

Spaulding is trying to get \$26 million in unclaimed, matured U.S. savings bonds out of the hands of the U.S. Treasury and added to states' lists of property to be claimed. Nationally, 33 million matured but unredeemed savings bonds totaling \$14 billion reside with a U.S. Treasury that has neither the capacity nor the incentive to do outreach as his office does, Spaulding said.

State statute requires all Vermont businesses to report unclaimed or dormant funds each year to the Treasurer's Office.

A law change in fiscal year 2003 clarified when and how to send the unclaimed money to Vermont's treasury and the following year, the state saw a spike in property turned over, primarily from two national insurance companies, Prudential Financial and MetLife.

Those companies had been mutual companies, but converted to being publicly traded.

"For business reasons over the last decade, they have converted to stock companies," Spaulding said. When they did, policy holders became shareholders as well. When those unclaimed shares were turned over to the state in 2004 following the state law change, the unclaimed property the state collected leaped from \$3 million in 2003 to \$19.2 million in 2004. Consequently, the state handed out \$6.48 million in more than 7,800 claims to Vermonters in the fiscal year ending June 30, 2005, up from an average \$1.88 million to 2,867 claimants the prior four years.

The state, which returns a little more money collected, 45 percent, than the 40 percent national average, still has \$37 million to give out, plus some actual property.

Many do confuse unclaimed property with abandoned cars and homes, but the only actual property the state division collects are safety deposit boxes, said Al LaPerle, the state's unclaimed property coordinator.

Their contents are stored in a state vault, and are often interesting.

One box from a Woodstock bank contained scrapbooks of rare artwork, letters and autographs from renowned artists and musicians, which the state was able to reunite with its owner. Another box contained a Cadbury Creme Egg, LaPerle said. Coins, \$2 bills and jewelry are more

common than candy.

Getting cash and items back to the rightful owners usually takes just days to a couple of weeks. The form the state sends to claimants is quick and easy to fill out, but requires proof of identity and a notary's signature for amounts over \$200.

The average claim last year was \$982, but that's because one claim totaled more than \$400,000. Typical claims are \$200 and \$300, unclaimed property technician Linda Bouffard said.

While determining legitimate claimants and heirs can be challenging, handing out \$200 checks isn't exactly a bad job. When the division sets up its booth annually at the Champlain Valley Fair, many Treasurer's Office employees volunteer to man the booth.

"Everyone likes to give away free money," LaPerle said.

And while claimants are not screaming "money" they are happy to be getting some.

"For the most part, people are pretty excited and glad to be calling" to make a claim, Bouffard said.

Spaulding will ask the Legislature this year to make the job even easier by allowing flexibility in how unclaimed property is advertised. That's likely to mean more general radio ads and fewer newspaper printings. Some claims could disappear, however. Spaulding wants legislators to allow the state to turn over unclaimed property valued at less than \$100 and on the books for 10 years or more to a higher education trust fund for college scholarships for Vermonters.

While he acknowledged \$75, for example, would be significant to many Vermonters, bogging down the system and creating a paper jam are smaller \$5 and \$10 amounts with which their owners don't want to bother. One woman recently told the division to give her \$30 to charity. The office can't legally give away the woman's money, so it sits on the books.

Bouffard said most people now are finding their claims through the state's Web site, www.vermonttreasurer.gov, or through a national Web site, www.missingmoney.com, which links 40 states' unclaimed property databases together on one site. Money owed to Vermonters from businesses in other states does not appear on Vermont's Web

site but is likely to appear on the national site. Spaulding encouraged anyone who has lived outside of Vermont or who know out-of-state heirs to check the national site.

Collecting owed money is free through the state. What are known as "heir-finders" or "asset locators" often call those with unclaimed property offering to help locate the money for a fee. In Vermont, those companies can only legally charge 10 percent of the claim, but LaPerle noted that all those companies actually do is request the same claim form the state provides for free.

Go online or call the state at 828-2407 or 1-800-642-3191 for a claim form or more information.