

Congress of the United States

Washington, DC 20515

October 8, 2024

The Honorable Julie A. Su
Acting Secretary of Labor
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Dear Acting Secretary Su:

Millions of Americans work hard to accrue retirement savings they never see because their employer-sponsored retirement accounts didn't transfer after a job change or their former employer has gone out of business. Instead, hundreds of millions of dollars that belong to workers and their families are sitting in suspense accounts at large corporations that service retirement plans. Retirement plan checks should belong to the individuals who earned them, not financial institutions. As Representatives, we know states have the existing infrastructure and hold the public's interest to reunite individuals with their unclaimed property. We urge the Department of Labor (DOL) to develop a uniform, nationwide regulation that allows state unclaimed property programs to serve as a vehicle for reuniting individuals with their uncashed distribution checks.

State unclaimed property programs have the technical expertise and a long history of reuniting rightful owners with their abandoned property. As early as the 1950s, states have enacted unclaimed property laws that required corporations, businesses, associations, financial institutions, and insurance companies to report and turn over unclaimed assets. Today, all 50 states, as well as the District of Columbia, Guam, Puerto Rico, and the Virgin Islands, have laws that designate state treasurers or other state administrators as the custodians of unclaimed property. Retirement plan checks shouldn't be treated differently than the other financial assets states already work to successfully reunite with their owners, such as the contents of a safe deposit box, bank accounts, uncashed checks, matured or terminated insurance policies, royalty payments, and utility account deposits.

After the DOL asked the Employee Retirement Income Security Act (ERISA) Advisory Council to explore whether there are circumstances under which a defined benefit or defined contribution pension plan might consider voluntary transfers of uncashed distribution checks to a state unclaimed property program, the Advisory Council concluded that State unclaimed property funds "have a number of features that may decrease the risk of the funds being depleted by account fees and increase the likelihood that missing participants will be reunited with their lost retirement savings."

States have developed many powerful and effective methods for locating owners and are best positioned to do so. For example, most states participate in the national database of unclaimed property (MissingMoney.com) that allows the public to search most states at once at no cost, they cross-check public databases to proactively locate owners and return unclaimed property to them, conduct thousands of public outreach events, do not charge fees to claim the found property, and will honor claims in perpetuity. In contrast to financial institutions or rollover IRA custodians, there are no issues of account fees potentially outpacing returns. According to the National Association of Unclaimed Property Administrators, state unclaimed property programs returned a record-breaking \$5 billion to owners in 2023.

Additionally, the States' Unclaimed Retirement Clearing House (SURCH) initiative that the National Association of State Treasurers has proposed offers a streamlined, no-cost solution for private sector retirement plan administrators to voluntarily transfer uncashed distribution checks to state programs. This centralized reporting entity eliminates the administrative burden on retirement plans and ensures seamless compliance with

state requirements. To date, 47 states have signed on to join SURCH. As such, we 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.

By allowing state unclaimed property programs with a proven track record to reunite individuals with their uncashed distribution checks, we can significantly increase the likelihood of reuniting missing participants with their retirement savings.

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

Sincerely,



Seth Magaziner
Member of Congress



Ron Estes
Member of Congress



Val Hoyle
Member of Congress



Sean Casten
Member of Congress



Glenn "GT" Thompson
Member of Congress



Matt Cartwright
Member of Congress



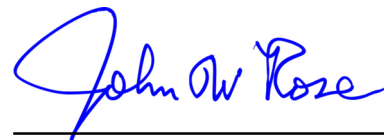
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Yadira Caraveo, M.D.
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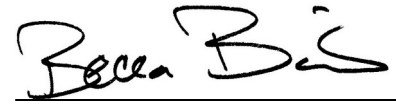
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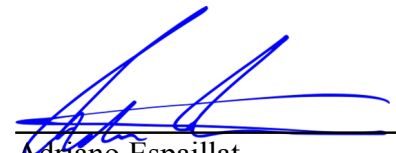
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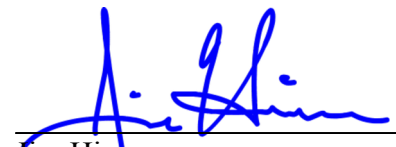
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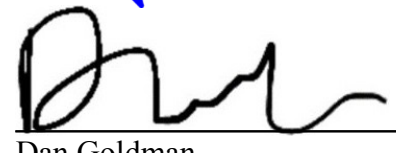
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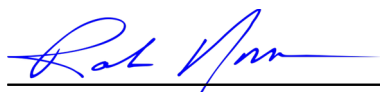
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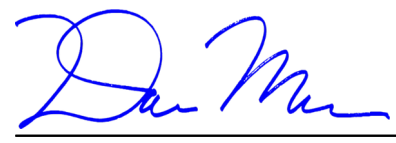
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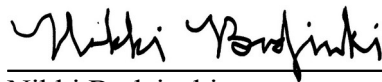
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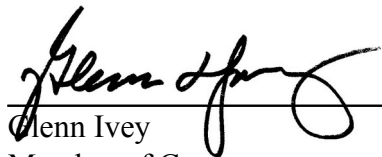
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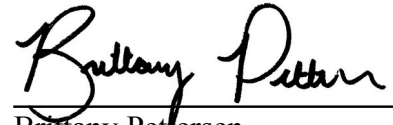
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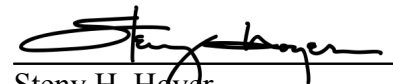
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