

**Written Statement on Transfers of Uncashed Checks from ERISA Plans
to State Unclaimed Property Programs**

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On Behalf of the National Association of Unclaimed Property
Administrators (“NAUPA”)**

**Before the U.S. Department of Labor
2019 Advisory Council on Employee Welfare and
Pension Benefit Plans**

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I. Introduction and scope of statement

The National Association of Unclaimed Property Administrators (NAUPA) is comprised of the unclaimed property programs of all 50 states, the District of Columbia, and the Commonwealth of Puerto Rico, as well as several foreign jurisdictions. The organization's objective is to facilitate collaboration and otherwise support program administrators in reuniting all unclaimed assets with rightful owners. NAUPA is an affiliate of the National Association of State Treasurers.

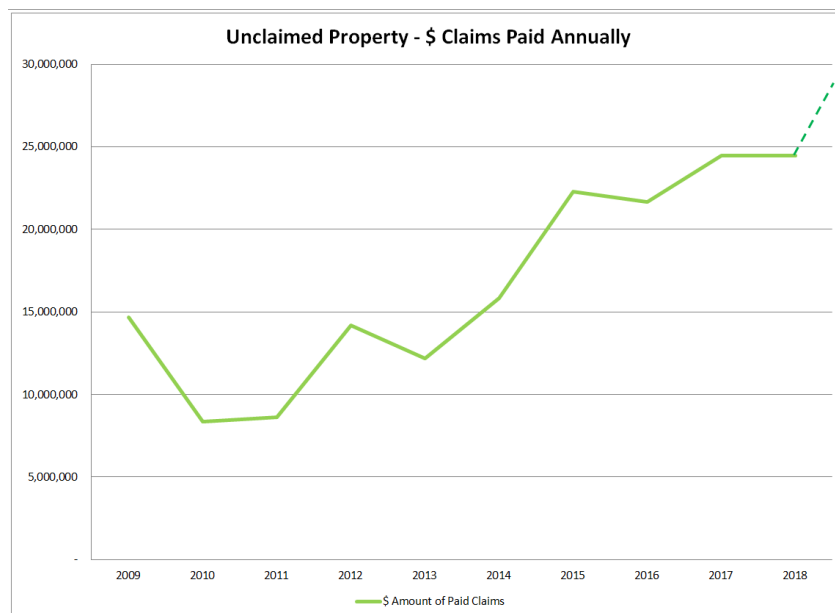
I serve as a Deputy State Treasurer for Utah and the Unclaimed Property Administrator. Treasurer Damschen administers the Revised Uniform Unclaimed Property Act in Utah and oversees the Utah Unclaimed Property Division. I have served in my current capacity for 7.5 years. I am active in NAUPA, and I previously served as the organization's president in 2018.

In this statement, I will discuss the owner location efforts undertaken by the State of Utah, with a particular focus on how our unclaimed property program utilizes social media to encourage owners to claim their lost funds.

II. Statistics on unclaimed property returns for Utah

During Fiscal Year 2019, Utah has received more than 74,800 new claims comprising over 181,000 reported items. We will pay out an all-time record \$28.3 million in unclaimed property value on over 15,000 claims. This year the Utah payout ratio will be just over 50%. This ratio considers dollars paid out divided by dollars received.

In recent years, we have seen significant increases in paid claim volume as a result of our advertising and outreach efforts. We paid out \$14.7 million in 2009, and this year's value is \$28.3 million.



III. Focus on (social) media to raise awareness

Five years ago, the Utah Unclaimed Property Division contracted with an advertising agency to assist the Division re-brand our public image, create media content, and advise on public relations. Prior media spending was sporadic and seemed to not have a very high return on the advertising investment (ROI).

The new, well designed media campaign generated a huge spike in claim volume that surprised us. After a couple of months, we actually postponed the campaign because customer service issues arose as we could not process all of the claims in a reasonable time frame.

Over time, we learned that digital media campaigns yielded significant ROI and could be “throttled” to generate a more level flow of claims that we could properly manage throughout the year. Due to a major systems conversion during August 2018, we significantly scaled down our media during calendar 2018 and just restarted our outreach in April.

Our social media channels include Facebook, Twitter, Instagram and YouTube. Software was added to our website, so we could track which social media ads actually resulted in completed claims online. Over time, the most productive ads were selected to run frequently to optimize our media budget.

One unique consideration about advertising in the Unclaimed Property space is the fact that we do not need to limit ourselves to general awareness marketing. We know who our owners are. We know their names and often have a prior address and sometimes a social security number. Armed with that data, we can target digital ads to owners.

As holders report new items to the Division, we find that the data provided is generally improving in accuracy and quality. The better our reported information is, the more likely we are to be able to quickly return properties to the rightful owners.

Future goals include conducting more holder outreach and education about reporting requirements and effective due diligence processes. Many holders still do not fully utilize the support functions available through our new system and website. We continually evaluate the effectiveness of our digital media campaigns and public relations efforts. Staying current with the fast-paced world of social media is no small task. Fortunately, we are connected with some very well-informed vendors, and we also engage in information-sharing networks, including a local digital media association and multiple public information and outreach associations that bring in experts from across the country to inform us about emerging technology and successful strategies.

IV. Observations and conclusions

What we do in our state would not necessarily work in other states. For instance, Utah had a dismal response to billboard ads; however, in Idaho to our north, they experienced a very large response to billboards in the northern panhandle region. There is an ongoing need to adapt and to embrace new technologies and approaches. Testing nuances of the marketing message is important to optimize the ROI of the outreach efforts. Expecting overnight success is not realistic. It does take time to craft messaging and methods that motivate owners to follow through on their claims.

One of the benefits of the NAUPA organization is the cross-pollination of ideas. We share both our successes and failures. We continually learn from each other.

Technology makes a big difference where state budgets are limited and small offices are expected to do more work. We can and do work smarter with better tools using advances in technology.

By observing correlations, we can approximate how much outreach costs versus the outcome. We are increasingly successful because our residents now associate our office with unclaimed property and trust our process.