



CHIEF FINANCIAL OFFICER
JEFF ATWATER
STATE OF FLORIDA

February 26, 2016

Mr. Rex Blackburn, Co-Chair
Mr. Michael Houghton, Co-Chair
Mr. Charles A. Trost, Reporter
Ms. Katie Robinson (via email)
Drafting Committee to Revise the Uniform Unclaimed Property Act
Uniform Law Commission
111 N. Wabash Avenue, Suite 1010
Chicago, IL 60602

Dear Commissioners:

As Florida's Chief Financial Officer, I am deeply troubled by the draft Uniform Unclaimed Property Act (UUPA) that is scheduled to be considered at this weekend's meeting. This draft contains numerous provisions that are blatant attempts to depart from the principal purpose of unclaimed property laws – protecting consumers. It is appalling to learn that such anti-consumer recommendations are being considered when ultimately in our role as unclaimed property administrators, it is the interest of the consumer whom we should be most committed to serving.

In particular, I am extremely concerned about the provisions contained in the draft relating to unclaimed death benefits, which, if adopted, would support a 150 year old business model that allows insurance companies to avoid acting on strong evidence in its possession – evidence that their policyholder has died.

Equally absurd is the provision that would prohibit states from conducting audits to determine whether insurance companies are in possession of unclaimed death benefits, unless several onerous, unrealistic scenarios occur. Since Florida aggressively began conducting this type of audit in 2011, nearly \$500 million in owed death benefits have been paid to consumers – either directly by the insurance companies through a due diligence process we required or through funds that escheated to the Bureau of Unclaimed Property, who then located the beneficiary.

These death benefits were largely small dollar policies, and most beneficiaries were completely unaware of the policy's existence. Had our audits not occurred, these funds would still be lining the pockets of insurance companies, rather than in the hands of consumers, where they belong. The provisions currently included in the draft UUPA would have prevented these benefits from ever being identified. Should these anti-consumer provisions be included in the UUPA, I will

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vigorously oppose them from becoming incorporated into Florida's unclaimed property law, and will also speak out against them being enacted in any other state. I have been involved in public policy making for more than 15 years and these are among the worst recommendations I have ever seen. Only someone who is out to enrich themselves on the backs of consumers would support this language.

In closing, I strongly urge the committee to consider the consequences of the draft UUPA. The language, as it is currently drafted, will be detrimental to millions of consumers both now and in the future.

Sincerely,


Jeff Atwater
Chief Financial Officer

cc: Representative Larry Metz
Mr. Donald J. Weidner
Mr. Randolph Braccialarghe
State Treasurers