

ECONOMIC EMPOWERMENT
DIVISION
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UNCLAIMED PROPERTY
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RETIREMENT DIVISION
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OPERATIONS DIVISION
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STATE OF VERMONT
OFFICE OF THE STATE TREASURER

MICHAEL S. PIECIAK
STATE TREASURER

To: Chair and Members, Senate Appropriations Committee
From: Office of the State Treasurer
Re: Treasurer's Omnibus (H.567) and Non-General Fund Requests

The Office of the Vermont State Treasurer is requesting approval for:

1. Two positions in the Unclaimed Property Division, and
2. One Policy and Research Manager Position in the Retirement Division.

Neither request will impact the General Fund. Both divisions are self-funding.

H.567 passed unanimously out of House Government Operations and Military Affairs, House Ways and Means, House Appropriations, and passed the full house on a voice vote without objections.

House Appropriations, however, eliminated 1 Unclaimed Property Division position and the Retirement Division position.

1. Unclaimed Property Division Position Requests (2 FTE, Non-General Fund: \$214,478)

The Vermont Unclaimed Property Division has operated with **essentially the same staffing level for well over 20 years**, with four full-time employees responsible for administering the entire program. During that time the workload has risen dramatically.

- In FY2006: the office processed 7,641 claims, returning \$4.48 million to Vermonters. During that same year, the office received 2,181 holder deposits totaling \$6.99 million.
 - **In FY2006**, the staff handled **2,456 transactions per employee**.
- In FY2025: the office processed 31,593 claims, returning \$9.45 million to Vermonters. The office also received 3,334 holder deposits totaling \$27 million.
 - **In FY2025**, the staff handled **8,732 transactions per employee**.

Staff are now handling more than **3.5 times the volume of transactions they were 20 years ago**, with the same number of employees.

- Proposal: The two additional positions would allow for a reduction to **5,821 transactions per employee** if the number of transactions processed stays flat in the coming years, though the trend has been rising sharply.
 - This would mean that **staff would still be handling more than twice the number of transactions per employee** as compared to FY2006.

Complexity: Staff must manage not only higher volumes but also increasingly complex deposits from financial institutions, businesses, and other reporting entities, while facing a growing risk of fraud as Unclaimed Property programs become more targeted. The workload reflects both program growth and rising expectations to locate owners, process claims efficiently and return funds to Vermonters in a timely manner.

An Investment with Returns: These positions will ultimately boost the Unclaimed Property transfer to the General Fund by strengthening account holder outreach and compliance, improving reporting accuracy, increasing remittances to the fund, and capturing previously unreported property.

2. Retirement Division Position Request (Non-General Fund - \$141,704)

The Vermont Retirement Division is among the leanest in the country.

- Vermont has **2,860 members/staff**.
- The national **median ratio is 1,367 members/staff** for all systems.
- The national **median for comparably sized systems is 1,200 members/staff**.

The state's high member/staff ratio is more remarkable considering the number of plans administered, including Defined Benefit, Defined Contribution, deferred compensation, and retiree health insurance plans. Most peer systems do not support as many varied plans.

Return on Investment: Extraordinary work to save the State of Vermont—and retirees—money has stretched an already hard-working division:

- In the last 6 months of 2025, the division scrambled and executed on transitioning to a new healthcare provider for retirees.
 - **These actions will save the state of Vermont 20 million annually.**
 - They will also save retirees premium expenses.
- In addition, Empower Fund changes save members approx. \$100k/year in total.

Proposed Policy and Research Manager position:

- Management of the retiree health insurance plans requires affirmatively monitoring an increasingly complex health insurance landscape. There is need for additional expertise in plan administration at the staff level around member outreach, monitoring of claims history and performance, and increased market awareness. With appropriate staff oversight, **this has the potential to be an area of substantial savings.**