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November 17, 2011

Senator Edward J. Kasemeyer, Chairman  
Senate Budget and Taxation Committee  
Miller Senate Office Building, 3 West  
Annapolis, Maryland 21401

Delegate Norman H. Conway, Chairman  
House Appropriations Committee  
120 House Office Building  
Annapolis, Maryland 21401

Dear Committee Chairs:

The Fiscal Year 2011 Joint Chairmen's Report required the Comptroller to provide a report to your committees that outlines the potential impact to the elderly and citizens living in rural jurisdictions, of publishing the names of owners of unclaimed property only on the Internet. As indicated in the details that follow, we believe that using the Comptroller's website as the sole means for researching the availability of abandoned property belonging to Maryland citizens, is a more cost efficient and effective way for Maryland citizens than via newspapers.

For the past several years the Comptroller's Office along with the Department of Budget and Management have introduced legislation to repeal the statutory requirement under the Commercial Law Article, Section 17.311, to publish the names and last known addresses of owners of abandoned property in newspapers of general circulation throughout the state. The Comptroller's Office spends in excess of \$600,000 each year to print and circulate the names of the owners of abandoned property in newspapers throughout the State, while at the same time making this information available on our own website for free.

Outlined in Exhibit A below are the costs associated with the printing of the newspaper supplements and the costs to have these supplements circulated with the newspapers prominent in each county throughout the state. As you can see from Exhibit A, in FY 2011 the Comptroller spent \$457,366 to print 923,521 newspaper supplements containing the names of 75,389 individuals who had unclaimed property turned over to the State of Maryland. The Comptroller's Office spent an additional \$144,285 to have these supplements distributed with local newspapers throughout the State. It is our contention that spending in excess of \$600,000 to advertise 75,000 names is not the best use of state funds given the fact that we offer a free alternative on our website.

**Exhibit A**  
**Printing & Insertion Costs – FY 2011**


Cost to print 923,521 unclaimed property newspaper inserts = **\$457,366**


| <b>Newspaper</b>                       | <b># of Insertions</b> | <b>Insertion Cost</b> |
|--|------------------------|-----------------------|
| Baltimore Sun (Baltimore City)         | 38,766                 | \$11,823.63           |
| Baltimore Sun (Baltimore County)       | 84,506                 | \$25,774.33           |
| Baltimore Sun (Howard County)          | 17,706                 | \$5,400.33            |
| Bay Times                              | 6,000                  | \$900.00              |
| Calvert Recorder                       | 12,992                 | \$1,559.04            |
| Carroll County Times/Sunday's Choice   | 26,100                 | \$2,322.90            |
| Cecil Whig                             | 15,015                 | \$2,252.25            |
| Cumberland Times-News                  | 17,000                 | \$2,380.00            |
| Daily Times                            | 9,088                  | \$1,590.40            |
| Daily Times (Weekly)                   | 3,623                  | \$634.03              |
| Dorchester Star                        | 10,000                 | \$1,500.00            |
| Frederick News Post                    | 35,231                 | \$5,636.96            |
| Kent County News                       | 8,500                  | \$1,275.00            |
| Maryland Gazette                       | 25,148                 | \$3,211.90            |
| Maryland Independent                   | 22,199                 | \$2,663.88            |
| Montgomery County Gazette              | 253,035                | \$30,364.20           |
| Ocean Pines Independent                | 5,800                  | \$1,015.00            |
| Prince George's Gazette                | 152,851                | \$18,342.12           |
| Record Observer                        | 4,000                  | \$600.00              |
| Star Democrat                          | 19,000                 | \$2,850.00            |
| The Aegis                              | 17,280                 | \$2,073.60            |
| The Capital Daily                      | 38,717                 | \$4,944.94            |
| The Daily Times (Weekly)               | 3,623                  | \$634.03              |
| The Enterprise                         | 17,152                 | \$2,058.24            |
| The Herald-Mail                        | 20,719                 | \$2,600.23            |
| The Republican                         | 7,470                  | \$2,390.40            |
| The Sentinel (Prince George's County)  | 24,000                 | \$2,880.00            |
| The Sentinel (Montgomery County)       | 3,500                  | \$420.00              |
| Times Record                           | 4,000                  | \$600.00              |
| Wicomico Weekly                        | 20,500                 | \$3,587.50            |
| <b>Total Newspaper Insertion Costs</b> | <b>923,521</b>         | <b>\$144,284.91</b>   |

We also contend that these newspaper supplements are not resulting in the reuniting of Maryland citizens with their lost property. Of the 75,389 names advertised in FY 2011, we received 12,886 telephone calls and reunited only 4,924 people with their abandoned property. This equates to a 6% return rate as a result of the newspaper inserts. The information that goes into the newspaper supplements each year represents the names and last known addresses of those individuals whose property was deemed abandoned and turned over to the Comptroller this year. The newspaper inserts do not contain the names of individuals who had abandoned property turned over to the Comptroller's Office in prior years. The Comptroller's abandoned property database that is available through our website is searchable and does contain all abandoned property received during the current year as well as from all prior years, giving the citizens of Maryland a larger probability of finding lost property.

It is a continuing trend that both the public and private sectors are moving away from printed materials if the same information can be disseminated through the internet. Businesses are now sending out invoices by email and banks are also making monthly statements available on their websites. The Internal Revenue Service is no longer providing paper tax booklets as these forms are available on their website. More and more information is now available electronically and Maryland citizens are becoming more computer literate and are using electronic commerce and the electronic delivery of information more and more each year. Outlined below are the most recent statistics from Internet World Statistics, a research organization that tracks internet usage worldwide. Their statistics show that 77.3% of all United States citizens use the internet and Maryland with an internet usage rate of 82.3%, is higher than the national average.

**Internet World Statistics  
Percentage of the Population Using the Internet**

|   |                                 |
|---|---------------------------------|
|  | <b>United States of America</b> |
| 310,232,863 population for United States in 2010.                                   |                                 |
| 239,893,600 Internet users in USA on June, 2010 with 77.3% penetration rate.        |                                 |
| 133,518,980 Facebook users on August, 2010, 43.0% penetration rate.                 |                                 |

|   |                 |
|---|-----------------|
|  | <b>MARYLAND</b> |
| 5,759,373 population (2010)   |                 |
| 4,737,650 Internet users as of June, 2010, 82.3% of the population                  |                 |
| 2,363,480 Facebook users on August, 2010, 41.0% penetration rate.                   |                 |

For the elderly and those living in rural jurisdictions who may not yet own a computer and have access to the Internet, there are many options. They can go to any public library in

Maryland and have the library staff assist them in researching our unclaimed property database or they can visit any of the Comptroller's 12 office locations and our staff would be happy to assist them. If none of these options work for them, they can simply call our toll free telephone number and we can do the research for them.

Maryland citizens could continue to be served by allowing us to discontinue the advertisement of the names of owners of abandoned property in newspapers and instead advertise the availability of this information on our website. To ensure that Maryland citizens know where to find this information on our website and how to reach us by telephone, we would continue to post advertisements each quarter in newspapers across the State. This would ultimately save the State over \$500,000 in expenditures and put an additional \$500,000 into the general fund each year.

Thank you for the opportunity to present this information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Linda L. Tanton', written over a faint, illegible background.

Linda L. Tanton  
Deputy Comptroller