

The Ledger.com, Newspapers: Putting Foreclosure Ads on Web Would Hurt Poor, Elderly (1.5.11)

TALLAHASSEE | In the midst of Florida's housing crisis, some state lawmakers want to move legal notices of foreclosures from newspapers to the Internet, sparking a debate over access to information and charges of favoritism.

Newspapers publish hundreds of thousands of small-type legal notices per year, which are required before a lender can foreclose on a home. The revenue is lucrative for business publications that depend heavily on legal ads.

Supporters say the change is long overdue, as newspaper readership declines and more and more commerce is transacted electronically.

Critics, largely newspapers, say Web-only notices would hurt the poor and elderly, who aren't -computer-savvy.

They also claim the legislation is tailored to enrich a single entity, Albertelli Law in Tampa, which is lobbying for the bill and operates PREO.com, a foreclosure website that calls itself "the complete default marketplace."

The same firm is under investigation by Attorney General Pam Bondi's office following 16 consumer complaints alleging shoddy legal practices such as the use of fraudulent signatures, a practice known as "robo-signing."

PREO's Tallahassee lobbyist, Sandra Mortham, called it "absolutely fallacious" that the bill favors her client. She said that while the idea was inspired by the client, lawyer and PREO founder James Albertelli, "this is not about him doing it exclusively."

"Newspapers have had a monopoly on this for 60 years. I understand why they would want to keep it," said Mortham, a former Pinellas lawmaker and secretary of state. "People might as well get used to this. It's going to come."

Albertelli said PREO once got several hundred thousand "hits," or views, each month, but that has -declined to about 100,000 per month. As for the investigation, he said: "None of the complaints are meritorious."

Sen. Steve Wise, R--Jacksonville, and Rep. Dennis Baxley, R-Ocala, are sponsoring the bills, which specify that to qualify, a publicly accessible website must attract at least 100,000 hits per month from unique visitors.

Opponents say PREO.com is the only site in Florida that meets the standard. They are distributing fliers to lawmakers noting that Albertelli's firm is under investigation.

"Public notice — particularly notice of proceedings of legal actions that could take someone's home — is critical to preserving private property rights, as well as the right of due process," the fliers state.

Baxley, who acknowledged discussing his bill with lobbyist Mortham, said his goal is to encourage clerks of court to modernize the marketing of foreclosure information. He said his goal is to make online notices "an option," not mandatory, and that it's not to be vendor-specific.

The state association of court clerks is neutral on the issue. Its legislative chairman, Sarasota County Clerk Karen Rushing, said most clerks are eager to embrace new technology.

Leading the opposition to the bill is Jack Cory, who lobbies for the Daily Business Review publications in South Florida, and former Lt. Gov. Jeff Kottkamp, who represents Keep the Public Noticed Coalition and is a Tallahassee lawyer.