

Publishers, lawmakers wrangle over future of printed public notices

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By Nicole Gilbert

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Public notice examples:

- Bids for construction

- General public improvements
- Community facility improvements
- Street and highway improvements
- Increase in water or sewer rates
- Zoning ordinances
- Award of contracts
- Notice of intent to contract
- Calls for bids on district bonds
- Election of board directors

PHOENIX – Under Arizona law, cities, towns and counties, as well as local boards and commissions, must alert the public to meetings, budgets and many other matters by publishing notices in a newspaper. The same goes for many matters in the private sector, such as corporation documents.

But with budgets tight and the world increasingly connected by the Internet, state lawmakers and publishers are wrangling over whether the future of such notices should include paying for ads to run in newspapers.

Continuing a string of similar bills in recent years, Rep. David W. Stevens, R-Sierra Vista, has proposed removing the requirement that statutory public notices be published in newspapers. HB 2403 would provide the option of putting a notice instead on “a designated site” online.

“We need to embrace technology because if you don’t embrace it, you’re going to get run over by it,” said Stevens, who has worked as a computer database administrator.

At two hearings of the House Technology and Infrastructure Committee, which Stevens chairs, publishers from across the state have argued that newspapers already share notices online as well as in print and provide value by making sure notices are handled properly.

John Naughton, president of the Arizona Newspapers Association and publisher of the Payson Roundup, said the bill would require the government to create and manage at taxpayer expense what newspapers already do well. ANA has offered an online repository of all public notices in the state since 1998.

“The system is already there,” he told the committee Jan. 26. “Fourteen other states ... have basically purchased the system that was designed by the Arizona Newspapers Association.”

With publishers campaigning aggressively, bills to roll back public notice requirements have failed in recent years, including a measure in 2009 that would have removed most requirements for print publication for governments and one in 2010 that would have rolled back requirements for Arizona Corporation Commission filings.

In 2011, two bills failed that would have removed the print requirement for certain government notices, while a bill this session, sponsored by Rep. Eddie Farnsworth, R-Gilbert, would remove the newspaper publication requirement for certain types of unclaimed property.

The elephant in the room is potential lost revenue for newspapers, which already are struggling due to competition from the Internet. Between 5 percent and 10 percent of revenue at community newspapers comes from public notices, according to a 2000 report from the National Newspaper Association.

On the other side of the coin, local governments spend taxpayer dollars to publish notices in papers. A 2009 survey by the League of Arizona Cities and Towns found that 27 municipalities collectively spent over \$900,000 on notices in the previous year.

Rick Edmonds, who researches business and journalism issues for the Poynter Institute in St. Petersburg, Fla., said newspaper publishers in many states face efforts to remove print requirements for statutory public notices.

“The history though is that many of these things are proposed but there has never been a broad exemption to the requirement that notices be published [by newspapers],” he said.

Arizona’s law, which predates the Internet, calls for notices authorized by law to be published in an English-language newspaper of general circulation. If a newspaper is printed daily, the notice must run four consecutive days. In a weekly newspaper, the notice must run for two consecutive weeks.

Ginger Lamb, vice president and publisher of the Arizona Capitol Times, told lawmakers Thursday that running notices in print provides an independent third party to verify legitimacy as well as a permanent, secure archive of ads.

“If a notice is published online only, there are no standards out there yet to verify that information cannot be hacked or tampered with,” she said.

While the stated intent of the bill includes enhancing access to public notices, Lamb and others argued that it may have the opposite effect for some people.

“Not all of our communities have converted to the Web as their primary source to get their news and information,” she said.

Stevens pointed to information that’s currently available on government websites and county recorders’ offices as useful to the public.

“I don’t agree that everything needs to be third party,” he said.

Stevens said newspaper officials made valid arguments and that he'd revise the measure accordingly. The committee has yet to vote on his bill and was expected to take it up again Thursday, Feb. 9.

"I'm not going to push something out knowing it's going to cause problems," he said. "The more we get together and hammer this out, the better product we're going to have in the end."