

Saving Taxpayer Money: Electronic Publication of Legal Notices

When was the last time you perused your local newspaper's "legal notices" section? For most people, the answer would probably be "never." Nevertheless, cities are required by over 100 state laws to publish some sort of legal notice in the newspaper. (A list of those laws is available at http://www.tml.org/legal_pdf/StatutesRequiringNewspaperPub.pdf.) Many statutes require publication of the same notice two, three, four and – in at least one case – ten times. As a result, cities spend a substantial amount of taxpayer money on an outdated means of notice. An informal survey of cities found that they spent between \$1,700 (6,000 population) and \$79,000 (120,000 population) in taxpayer money on newspaper publications in 2010.

Of course, cities recognize that public notice is an important and necessary part of governing, but mandating that cities expend precious taxpayer money to use only printed newspapers no longer makes sense. Rather, the goal of cities is to take full advantage of the investments they have made in their Web sites, and reach the maximum number of people by using the Internet.

House Bill 507 – which deals only with the notice required for expensive city purchases – would help cities reach the goal of providing notice to everyone, while saving taxpayer money. The bill would provide that, if a city maintains an Internet Web site, the city – instead of publishing notice of competitive procurement solely in a newspaper – may: (1) publish notice – either in print or on a newspaper's Internet Web site – in the newspaper once not later than the fourteenth day before the bid receipt deadline; and (2) post notice continuously on the city's Web site for at least fourteen days immediately preceding the bid receipt deadline.

Newspapers make various arguments against doing away with printed notices, all of which fall flat:

- They argue that their print editions reach more people than other media. However, the Texas Public Purchasing Association has evidence from a recent survey that only one percent of vendors seeking to participate in a city procurement process received notification from a printed local newspaper.
- They argue that their medium is where readers look for public notices. To the contrary, the Texas Comptroller of Public Accounts recognizes that "Technology—and the web in particular—has changed the expectation for customer service and government transparency at all levels. In a computer- and Internet-based society, government can no longer justify the money and time required to print reports. Publishing information online means no postage, no waiting for the mail, up-to-date documents, and worldwide accessibility."
- They argue that the cost of a newspaper is inexpensive compared to the cost of a computer with Internet access. Most cities offer free public Internet access through their public libraries. And, as a result of the continuous decline in circulation (printed newspaper publication continues to fall at around ten percent per year), newspapers have been raising newsstand and subscription prices to offset advertising losses.
- They argue that the cost of newspaper publications is a small part of the city budget. That is not for a newspaper to decide. City councils seek to spend every tax dollar wisely and effectively.

H.B. 507 is an excellent step in embracing new technology, while saving taxpayer money. The bill would not eliminate newspaper legal notice revenue. It would simply allow a city to use both the newspaper's subscription base and the city's Internet Web site to reach the most interested persons at the least possible expense to the taxpayers.