
Pennsylvania State Association of Boroughs



*Testimony on **House Bill 677**
“Changes in Legal Advertising”*

presented before

The House Judiciary Committee

on

Thursday, May 14, 2009

by

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House Bill 677 & “Changes in Legal Advertising”

Good Morning and thank you for the opportunity for PSAB to offer its perspectives on legal advertising today. My name is Ed Troxell and I serve as the Director of Government Affairs for the PA State Association of Boroughs and on behalf of Pennsylvania’s boroughs I want to thank you for hosting this important hearing today. When the offer to provide testimony to the committee was made, PSAB was more than eager to share its observations on such a critical issue as legal advertising which is really about how the borough government communicates with those it represents – its resident taxpayers.

First let us offer PSAB’s support for the bill that is the starting point of this hearing today – **House Bill 677 (PN750)**. Since 2002 boroughs have sought to support the enactment of this legislation for the true mission it meets, **broader circulation of information at less costs to the taxpayer**. Moreover, the broader these notices, the better the chance for contractors and potential vendors to learn of these opportunities. In our April 20 letter to the Judiciary Committee PSAB commented that the changes to legal advertising law anticipated in HB677 would provide valuable public information with an increased circulation to the taxpayer. The details of the bill which lead to this increase in dissemination of public information are numerous. I would like to make a point of just a few of these law changes for the committee.

Our experience shows that by allowing local elected officials the *discretion* to use community papers of mass dissemination (page 3 line 13) for public notices more readers will be notified. In the past, PSAB’s Director of Research Shelley Houk testified before the State Government Committee that for 16 years members have shared their experiences of frustration in complying with the Newspaper Advertising Act. Houk continued to indicate that officials in boroughs in rural areas (508 boroughs are classified as rural) find that newspapers of general circulation rarely serve their local residents. What they have shared is that most of them are served by a community paper and they would like to use those papers in their cases. This choice in how to best provide public notices would also drive competition lowering the cost of advertising for the taxpayer.

Yet how can we guarantee these claims of increased circulation of public notification/information? We need to look at what exactly is a “Community paper of mass

dissemination" and how effective it may be. HB677 lays out concise instructions on how those community papers will operate and who exactly would qualify to provide the service. Page 2, line 5 continuing to Page 3, line 8 clearly lays out these parameters. Community papers must be four or more pages and printed either daily or weekly and to have been continuously published for a period of at least six months. This is the "who" of the community papers, yet the most attractive feature for our boroughs which potentially puts a public notice in every borough mail box is "how" the community paper distributes its content.

There are two methods of distribution which clearly offer better ways to get public notices into public hands. HB677 stipulates that either; 1) the community paper distributes to an entire local zip code, or 2) distributes by carriers to the majority of established addresses, or be available at public locations within the political subdivision effecting the advertising. The latter method of delivery must be verified for circulation by an independently accredited auditor. These mandated distribution rules (Page 3 lines 1-8) are unlike any in existing law. Borough officials can now expand the distribution of public notices in ways that newspapers of general circulation struggle to.

Yet when we want to truly expand public notices, legal advertising laws must be amended to consider technology as well. You might remember reading in history books about a time in this country when the public was informed by the "town crier." Using the town crier to notify the public made sense in a time when many were illiterate. Then the role of the town crier became unnecessary as citizens became routinely literate and acquired the news from newspapers. I believe the same type of paradigm shift is now occurring in our society except this time it is the newspapers that are going the way of the town crier. With so many individuals using the Internet as their primary news source, this type of legislation may indeed have come into its time.

Public information, public notices and legal advertising can only be as effective as the media through which they reach their audiences. Several other legal notice proposals are currently under consideration in both the House and Senate here in Harrisburg. PSAB applauds the vision of these legislators and endorses several of these measures. Among the proposals are **House Bill 795** sponsored by Rep. McIlvaine-Smith and **Senate Bill 419** introduced by Sen.

Bob Robbins. Briefly, the two bills that are seeming companions, allow posting legal notices on the Internet. This public notice delivery enables potential contractors and vendors up to the minute notifications as well, creating competition to benefit our taxpayers!

Lastly, what PSAB wants and its member boroughs so sorely desire, is to promote *transparency* in the use of local taxpayer dollars. Public notices, information and legal advertising laws must be clear, accessible and available. Clear in the sense that it is distinct in its content, accessible in a variety of media formats and available to be used as an appropriate method for message delivery. The public benefits, borough officials are empowered and taxpayers save dollars. In a time when innovation is needed to cut cost while still providing services – amending Title 45 Legal Notice law just makes sense.

Thank you and I am available for your questions.



Pennsylvania State Association of Boroughs

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April 20, 2009

The Honorable Thomas R. Caltagirone
House Judiciary Committee Chairman
House Box 202127
106 Irvis Office Building
Harrisburg, Pennsylvania 17120-2127

Dear Chairman Caltagirone,

On behalf of the 950+ boroughs of Pennsylvania, The Pennsylvania State Association of Boroughs would take this opportunity to voice its endorsement for **House Bill 677** (PN750) and respectfully requests its passage from your committee as reported.

House Bill 677, which amends Title 45 (Legal Notices), seeks to improve the circulation & availability of legal notices through the use of community papers. The bill adds "community papers of mass dissemination" to the definitions in Title 45 thus enabling municipalities to publish legal notices in these type papers. PSAB strongly supports the bill as it provides valuable public information with an increased circulation at *no cost to the taxpayer*.

To clarify a "community paper of mass dissemination" is a newspaper at least four pages in length and is published daily, twice weekly, or weekly and has been an established business for more than six months. It shall also meet one of the following criteria: 1) is distributed through the US mail to *entire* local zip codes; or 2) is distributed by carriers to the majority of established addresses within a municipality effecting the advertising and its distribution is independently verified by an approved auditor. The use of these community papers will serve both boroughs and taxpayers in a variety of ways, including:

- ✓ Lower cost public notice & legal advertising going directly to the mailboxes of all borough residents at no costs to them.
- ✓ The creation of competition between daily, paid papers and community papers to provide this service will drive the costs of legal advertising down benefiting local taxpayers.
- ✓ A marked increase in circulation of public information. In several regions data has shown that circulation would be doubled should community papers be allowed to compete for this service.

In **House Bill 677** boroughs realize a decreased cost for a government service, while the public finds increased availability to vital information. Respectfully, PSAB encourages you to report these measures from your committee as written to the full House for prompt consideration. If you have any questions or if PSAB can be of assistance, do not hesitate to contact me at (717) 236-9526 ext-21 or via e-mail, etroxell@boroughs.org.

Sincerely,

Edward C. Troxell
Director, PSAB Government Affairs