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March 16, 2015

To:

Rep. Mark Hutton, chairman, House Commerce, Labor and Economic Development Committee

From:

Kim Nussbaum, president and publisher, The Wichita Eagle

Subject:

HB 2237

## Representative Hutton:

I'm writing you today to express my concern regarding HB 2237. One of the most critical roles a media company such as The Wichita Eagle serves in their local community is to keep local and state government issues in front of our citizens. That transparency has proven itself over and over throughout the years.

## A few examples:

- The most recent (and one of the best) examples of a story based on a published notice was Wolf Creek. They had a malfunctioning leak sensor in the nuclear reactor coolant system. One of our reporters learned about this because the Nuclear Regulatory Commission required them to publish it in the paper. It is highly unlikely our reporter or Kansans would have ever heard about it otherwise. This is a federal example, but the same principle.
- Another classic example was in 2005, we saved taxpayers an estimated \$2 million acting on a public notice that the City of Wichita had signed a letter of intent to issue Industrial Revenue Bonds to a health club owner. The owner wanted IRB financing to rebuild a health club that had burned in a fire, to build a new club and to renovate a third. Through our reporting, the city learned that it could not lawfully issue IRBs to that business and withdrew the letter of intent. Beyond the question of whether a health club even meets the "industrial" qualifications for IRB funding, a series of errors were exposed, including inadequate notice to the county and school district, flaws in the cost-benefit study and failure to recognize that one of the three building sites was not even in the city. This led the city to revise its policies to ensure that it only issues IRBs to eligible businesses.
- Here at the Wichita Eagle, we receive several phone calls from the public regarding when the delinquent tax section or personal property tax section will be running, looking for foreclosure notices, "child in need of care" hearing notices, etc. We also send an affidavit of each notice after publication. The actual ad is cut out of the paper, attached to the affidavit, and mailed to the client. This ensures them (and the judge, lawyer, etc) that the notice actually was published and available for the public to view. The internet has not devised a method for certifying that notice has occurred.

I'm certain you've heard from several concerned parties regarding the importance of public notices being published by a neutral party, providing a permanent record that cannot be altered, hidden, manipulated,

hacked or changed after the fact. When notice is published in a newspaper, it is guaranteed by the publisher as a fact. Who knows if a notice really appeared when it should on a website?

In addition, I'm sure you understand the importance a newspaper plays in ensuring readers WILL "happen upon" public notices and share that information with each other. There is evidence of this from studies that have taken place over the past 20 years that has concluded that readers want their public notices in newspapers because that's where they are most likely to see them.

As you research and further discuss HB 2237, I urge you to analyze the cost of maintaining the notices online. Once you research the costs of maintaining a website, updating each posting, and maintain a secure website that cannot be hacked into and changed, I'm confident you will find it far outweighs any anticipated savings. In fact, Utah legislators voted to put notices on the web, only to rescind that decision at the urging of cities and counties that could not accurately upload their notice and maintain their sites in working order.

I talk to our readers every day, they constantly plead with me to keep the printed edition, they do not have internet access, they don't want internet access and some can't afford the additional costs associated with monthly data fees. If notices appear only on the internet, there will be a large percentage of our older rural citizens on a fixed income who have no easy access to the internet so they will likely miss the notices.

Thank you for taking the time to read this, we have a responsibility to our citizens and maintaining transparency will always remain at the forefront.

Sincerely,

President and Publisher The Wichita Eagle

Kim Aussbaum