

Fiscal Estimate Narratives
COMM 11/12/01

LRB Number 01-2927/2	Introduction Number AB-591	Estimate Type Original
Subject Eligibility to be designated official newspaper		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, in order to receive compensation for publishing legal notices, a newspaper must meet the following criteria:

- 1) Be published regularly and continuously in the municipality for at least two of the last five years;
- 2) Have at least half of its circulation as paid circulation; and,
- 3) Have subscribers of not less than 1,000 copies for 1st or 2nd class cities, or 300 copies for 3rd or 4th class cities, villages, or towns.

This bill expands the eligibility to include newspapers that have been in existence for two years and are delivered to 75% of the households and businesses in the newspaper's coverage area without charging a subscription fee.

In addition, the bill allows a 2nd, 3rd, or 4th class municipality, sewerage or drainage district to designate a newspaper as the official newspaper for publishing legal notices provided the newspaper is published weekly. It must also be determined by public hearing that the newspaper provides better notice to more people affected by the notice than a newspaper that does meet the other statutory requirements.

Finally, the bill makes the definition of "newspaper" more stringent for the purposes of receiving compensation for publishing legal notices by imposing a new 20%, or four-page publication space, for the legal notices standard. This standard must also be met in at least 33% of the newspaper's issues in the six months prior to publishing the legal notice.

It is unknown how many cities, villages, towns, counties, and sanitary or drainage sewer districts will be affected by this bill. In some cases, a municipality may experience decreased costs in the event that the newspaper, which publishes the legal notices, offers more competitive rates. In other cases, municipalities that use newspapers, which did not previously qualify for compensation under current law, may experience increased costs if the newspaper qualifies under this bill and has higher rates. These costs savings or increased costs will vary from municipality based on the varying number of legal notices each municipality will have to publish. The fiscal effect of this bill is indeterminable.

Long-Range Fiscal Implications