

January 20, 2025

House Industry, Business and Labor Committee  
HB 1398

CHAIRMAN WARREY AND COMMITTEE MEMBERS:

My name is Amy Wobbema. I am the owner and publisher of two weekly newspapers in central North Dakota, the New Rockford Transcript and the Foster County Independent. Please accept this written testimony IN FAVOR of House Bill 1398.

The law governing publication of insurance abstracts has existed since the state's earliest days. The change we seek now is to codify the actual practice that has been used to publish these notices since at least 1930.

As the law stands, the insurance commissioner has the discretion to decide in which newspapers the abstracts will be published. For nearly 100 years, however, the insurance commissioner's office and the newspaper association have had an unwritten agreement to spread the publication of abstracts across all of North Dakota's newspapers. For decades we've agreed on the most equitable way to distribute the abstracts of some 2,000 insurance companies operating in our state.

HB 1398 was introduced because the insurance commissioner decided to upend a practice that has remained unchallenged even through many calls to abolish publication. His decision to concentrate publication into just 8 newspapers - the newspaper with the largest circulation in each of the eight districts - favors high population centers, with only two weekly newspapers chosen to receive these notices. The majority of publications will now be concentrated in the state's biggest cities, rather than spread evenly across both rural and urban areas. That means readers of the other 65 newspapers, including mine, would not see even one insurance abstract in their local paper.

The legislature has rejected attempts to abolish the requirement to publish this material, most recently in the 2023 session. One of the reasons newspapers have been successful in fighting calls to eliminate this notice requirement is

because it impacts businesses in every legislative district. That remains to be true, as there are independently-owned newspapers in every district.

Just last week, Commissioner Godfread disseminated an op-ed to newspapers, asking us to publish vital information to consumers about the great pressure recent natural disasters have placed on the insurance industry. He didn't send that op-ed to just eight newspapers, but to all newspapers. He knows we run that kind of information for free.

Likewise abstract publication costs the state NOTHING. The bill goes to the insurance companies, who pay just \$250 a year to provide transparency to North Dakota consumers about their financial health.

Again, I urge a DO PASS on HB 1398. This amendment to the existing state law will ensure that publication of insurance company financial statements does not ebb and flow at the whim of a commissioner determined to undermine the importance of public notices. In light of the pressures facing the insurance industry, which Mr. Godfread noted in his op-ed to newspapers, consumers need information about the financial health of insurance companies operating in our state now more than ever.



Abstract publication IS economic development for newspapers – bringing in revenue from outside of the state. There is no doubt that cutting 65 of the state’s 73 newspapers from receiving this income will have an impact on the financial health of newspapers. If the law stands without the proposed amendment, the next time a state agency needs vital, timely information disseminated to the state’s 300,000-plus newspaper readers, they may find fewer outlets available to help them reach that audience. We urge a DO PASS on this amendment.