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The Kentucky Press

Official Publication of the Kentucky Press Service - Vol. 60, No. 12 - December, 1989

Governor considers ad, service tax

Gov. Wallace Wilkinson announced December 4 that his administration is considering a change in the state sales tax program that would allow for a tax on advertising and services.

If the proposal should

Hensley found guilty of inflating circulation figures

Paul Hensley, publisher of the Hazard Times and former publisher of the Thousandsticks News in Leslie County, was convicted in late November of falsely inflating circulation figures to obtain the legal advertising for county governments in Perry and Leslie counties.

Hensley was convicted in U.S. District in London of mail fraud and falsifying government documents.

Formal sentencing is scheduled for February 1. Hensley filed reports with the U.S. Postal Service in 1985 and 1986 indicating the Hazard Times had a paid circulation of 8000 to 9000 but printing rec-

(Continued on Page 2)

be approved by the General Assembly when it convenes in January, Kentucky would be the only state with a sales tax on advertising.

During her budget address in January, 1984, Gov. Martha Layne Collins announced intentions to place a sales tax on services and advertising but that was dropped with a matter of a few days

from further consideration.

Gov. Wilkinson has said he favors lifting most exemptions from the state sales tax, except for the exemptions on food, utility bills and medicine.

The governor, who caught Kentuckians off guard with his announcement, campaigned on no tax increase and

(Continued on Page 4)

Hall of Fame nominations due Jan. 15

Nominations for the Kentucky Journalism Hall of Fame are due by January 15.

Sixty-four individuals have been inducted into the Hall of Fame since it was established in 1980 by the UK Journalism Alumni Association to recognize Kentuckians who have made significant contributions to the profession of journalism.

Selections are made from individuals, living or dead, who are natives of Kentucky or who have spent a significant portion of their careers in Kentucky.

Nominations should be made in letter form, including pertinent background information about the individual nominated, including photograph, to Kentucky Journalism Hall of Fame, School of Journalism, University of Kentucky, Lexington, Ky. 40506.

Persons selected will be inducted in April during the Joe Creason Lecture at UK. The selection committee for the Hall of Fame consists of the dean of the UK College of Communications, director of the UK School of Journalism, and the presidents of the Kentucky Press Association, Kentucky Broadcasters Association and the UK Journalism Alumni Association.

Hensley convicted of mail fraud

(Continued from Page 1)

ords showed only about 2500 were printed. Statements of Ownership for the Thousandsticks News during 1983 to 1985 showed a paid circulation of 10,000 to 21,710 with printing records indicating a circulation of 3000 to 4000.

Assistant U.S. Attorney Robert Michael Murphy said Hensley could be sentenced to 30 years in prison. Defense attorney Celtus Maricle said he would recommend an appeal.



MSU gets New York Times Group Grant

Doug Miller (right) shows Dr. Bob McGaughey of Murray State University a copy just off the press of the Madisonville Messenger. Miller, publisher of the paper which is part of the New York Times chain, presented McGaughey with a \$5000 New York Times Foundation Professional Travel Grant. It is the third year that the Department of Journalism at Murray has received the grant. The fund is used for student and faculty/student travel to professional meetings and to bring professionals to the campus to speak to journalism students.

THE KENTUCKY PRESS

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Official Publication of the Kentucky Press Service

Across Kentucky

Vernon Robinson, sports editor of the Martin Countian in the mid-1980s, has been named sports editor of the Martin Countian & Mercury. Robinson most recently was reclamation inspector for the Kentucky Department for Surface Mining.

Winchester Sun reporters **Ellen Ballard** and **Betty Ratliff Smith**, took first and second place respectively in recent National Newspaper Contest awards. Ballard, who was with the Sun from January, 1987, until August, 1989, won first place for her feature story about Holly Van Meter. Ballard is now senior information officer for Kentucky Educational Television. Smith, SunScene editor, won second place for her article published last October on the Leeds Theatre and the memories it held for Clark Countians.

Richard Schock, senior advertising account executive for the Recorder Newspapers in Boone, Kenton and Campbell counties, has been named advertising manager by general manager **Bryan Dear**. Schock joined the Recorder newspapers two years ago after graduating from Northern Kentucky University with a degree in advertising. Dear also announced that **Sandra Daniels** has been named senior account executive.

The Bluegrass State Games presented gold, silver and bronze medals to three **Central Kentucky** photographers for coverage of the 1989

Games. BSG executive director **Fred Hynson** and Lexington Mayor **Scotty Baesler** presented the gold medal to **Stephen Castleberry**, of the Lexington Herald-Leader; the silver to **Alan Lessig** of the Courier-Journal; and the bronze to **Charlie Campbell** of the Bourbon Times in Paris.

Floyd County Times publisher **Marty Backus** has named **Valerie Hall** as interim advertising manager of the twice weekly newspaper. Hall was named to the position following the resignation of **Brenda Crouch**. Hall came to the Floyd County Times from the Pikeville office of the Williamson (W. Va.) Daily News. Backus also announced that **Kimberly Frasure** has joined the Times as advertising representative.

Owensboro Messenger-Inquirer publisher **John Hager** announced that **Julian F. Boone**, production manager, is now vice president/operations and circulation and **Ed Riney**, vice president/administration, finance and marketing has been assigned overall responsibility for advertising sales, promotion and marketing in addition to his current duties.

Donna Crouch, reporter and photographer for the Oldham Era in LaGrange, has joined the Crittenden Press in a similar capacity. Crouch interned two summers with the Press while a student at Western Kentucky University.

Terry Slowinski, for-

mer advertising sales representative for the Shelbyville Sentinel News, has joined the Oldham Era advertising department.

Paul Carty, managing editor of the Elizabethtown News Enterprise since 1987, has resigned that position, effective February 2, saying it's "time to seek new challenges."

Mary Scott Offutt, reporter for the Morehead News, has been named managing editor of the Sentinel-Echo in London. Offutt replaces **Stephen Chaplin** who has accepted a position with a publishing house in Philadelphia. The Morehead News and Sentinel Echo are part of Park Communications, Inc., operations in Kentucky.

Ewell Balltrip, publisher of the Harlan Daily Enterprise, is taking on additional publisher duties with the Middlesboro Daily News for an interim period. Balltrip is replacing **Ron Sawyer** at Middlesboro, who joined the Daily News earlier this year after **Earl Burchfield** was named publisher of another New York Times group newspaper in Tennessee. Balltrip also recently was elected to the board of directors of Harlan Federal Savings and Loan Association.

Middlesboro Daily news reporter **Raymond Short** received the New York Times Group highest award, the Chairman's Award, for a series he did on the problem of illiteracy in Kentucky's Fifth Congressional District.

Ad, service tax question may go to legislature

(Continued from Page 1)
has held the line on that promise during the first two years of his administration.

Two years ago, a special session of the Florida General Assembly imposed a sales

tax on advertising and services. But the fallout was so destructive to Florida's economy that Gov. Bob Martinez was forced to call another special session to repeal the tax idea.

Governor wants questions in writing from 2 reporters

Apparently feeling the effects from an "ambush interview" and his response to questions, Gov. Wallace Wilkinson has told two newspaper reporters that they must submit questions in writing before he will give answers.

Wilkinson told Lexington Herald-Leader bureau chief John Winn Miller to submit any questions to his office. Miller had tried to ask Wilkinson about links between education reform and gubernatorial succession.

"I would say to you if you have a question about succession, submit it to our office. That's going to be the response to most of your questions."

Following that exchange, Courier-Journal reporter Tom Loftus asked the governor about succession and the response was similar. "The same goes for you on succession questions, Tom."

The exchange took place following a drawing to give away a \$100,000 house in the Kentucky lottery.

Wilkinson said he did not appreciate "ambush inter-

views," apparently referring to an incident in early November.

Miller and Herald-Leader reporter Kit Wagar had questioned Wilkinson about his property taxes as the governor left a press conference, particularly about taxes on the Capital Plaza Hotel in Frankfort. Wilkinson owned the hotel prior to becoming governor and the Herald-Leader's investigation showed the hotel had been left off property tax rolls in that time.

Wilkinson's press secretary Doug Alexander, said the "questions in writing" requirement was not in retaliation for the article on the property tax; however, that the governor was upset with the way Wagar and Miller questioned him.

"They could have used some manners," Alexander said. "Their approach was accusatory, presumptive and very aggressive."

Neither newspaper involved is going to change its reporting procedures.

"It's going to be business as usual," said Herald-Leader editor John Carroll.

Part of the fallout from that tax program was on state tourism. The National Newspaper Association, originally scheduled to have its 1989 Convention in Florida, withdrew that and instead held this year's convention in neighboring Georgia.

The advertising industry drastically cut its advertising programs from the Florida media, a move that could be duplicated if a sales tax on advertising is imposed in Kentucky.

Thursday,
January 4

9 a.m. --

Registration for
Legislative Media
Day at the Capitol

4:30 to 6 p.m. -
Kentucky Press
Association
Legislative
Reception

Mark your calendars to
attend LRC Media Day
and the KPA Legislative
Reception...have lunch
with your legislator ...
invite your legislators to
attend the
KPA Reception

For information, contact
KPA at (502) 223-8821

Legislative activity heating up

A legislative subcommittee on Statewide Information Systems delayed action on legislation concerning the state's Open Records law following testimony by the Kentucky Press Association and state Attorney General's office.

The subcommittee, chaired by Rep. Bill Donnermeyer, D-Bellevue, was considering legislation prepared by the Legislative Research Commission. The subcommittee had heard testimony at previous hearings from the State Librarian and State Archivist, both of whom testified against the legislation.

Bill Hollander, attorney for Wyatt, Tarrant and Combs in Louisville, and Kit Wagar, a reporter for the Lexington Herald-Leader, testified against the proposal at the November 17 subcommittee hearing.

As testimony was to begin, Rep. Hank Hancock of Frankfort, confirmed with Donnermeyer that the proposal in "no way" lessened the current Open Meetings/Open Records law. Hollander began his testimony by responding to the committee that the proposal would greatly change the existing law.

Committee members present, including Donnermeyer, Hancock and Sen. Art Schmidt, repeatedly said they did not want to take away anything from the existing law and understood the proposal protected all the rights under the law, KRS Chapter 61.

Hollander and two representatives from the state's Attorney General's office said

The LRC reportedly is seeking to gain more control over computer data bases to stop people from using state documents to make profits.

the legislation would change current law and not for the benefit of the public.

Basically, the changes would allow a records officer to decide whether a public record would be made available in "paper form" or "flat file," and would allow an agency to charge for an employee's time in retrieving records under request.

Wagar and Hollander argued that taxpayers' dollars were already used to create the document and therefore a charge for getting the information should not be made, excepting reasonable copy fees. Both also argued that in many cases, newspaper stories have been developed more in-depth because public records were given on blank computer disks supplied by the newspaper.

The LRC reportedly is seeking to gain more control over computer data bases to stop people from using state documents to make profits.

On his point that public agency documents have technically been created by taxpayer dollars, Wagar asked, "Should taxpayers have to pay again for this? That's the central question."

Donnermeyer, chair-

man of the subcommittee and listed as the bill's sponsor, said, "There's no intent in any way, shape or form to do anything to prevent access. But computerization is something new so we're running into new problems."

The subcommittee asked KPA, the LRC and the Attorney General's office to work together to seek a reachable agreement, if there is one.

Similar problems have arisen on the federal level where Congress is struggling to write new rules governing citizen access to government information, amid the growing fear that the computer is becoming an engine for official secrecy.

Columbia University political scientist Alan F. Westin surveyed 300 research and lobbying groups recently and concludes that "they were better off in locating and obtaining federal public information in the 1970s" than at present. Meanwhile, a survey by the Justice Department shows agencies are adopting a more restrictive rather than a more open view of their obligations.

Legislation proposed by West Virginia Congressman Bob Wise, chairman of the House government information subcommittee, would present the first declaration by Congress that government has an affirmative obligation to distribute its electronic information to citizens in a form they can use and at a price they can pay. The bill could possibly come to the House floor in January if negotiations are successful.

Judge's decision on NCAA report appealed

Three Kentucky newspapers have appealed a Lexington judge's decision to deny access to the University of Kentucky report responding to NCAA allegations. All three -- the Lexington Herald-Leader, Louisville Courier-Journal and the Kentucky Post -- filed separate appeals with the Kentucky Court of Appeals on November 22, asking the

higher court to review the March 21 decision by Fayette Circuit Judge George Barker.

Barker ruled that the public was not entitled to the preliminary reports on which UK president Dr. David Roselle based his reponse to the allegations. However, Barker also ruled that the press was entitled to the final report submitted by Roselle.

In October, Barker denied a request to reconsider his decision on the preliminary notes, forcing the newspapers to seek the review by the Court of Appeals.

Newspapers in the News

Paducah Newspapers buys Arkansas daily

Paducah Newspapers, Inc., publisher of the Paducah Sun, have completed negotiations for the purchase of the paragould (Ark.) Daily Press. Negotiations began more than a year ago but broke down late this summer soon after the Sun first announced it was buying the Daily Press.

Fred Paxton, publisher of the Sun and president of PNI, said, "We kept rearranging the elements until we came up with something that satisfies the buyers and sellers.

Paxton said there were no plans to transfer Paducah Sun employees to the Daily Press, which has a circulation of about 7500 in what Paxton describes as a "bustling community."

Paducah Sun general manager Wally Lage said, "For the last several months, we were under strict confidence not to tell anyone about the negotiations which caused us to mislead our many friends in the industry when they asked us about Paragould. The deal was revived within a few weeks after we walked away the first time but we had to respect those confidences."

2 newspapers honored by Festival Association

The LaRue County Herald News and the Falmouth Outlook have been honored by the Kentucky Festival Association.

The Herald News took first place for a Lincoln Days tabloid and the Kentucky Wool Fest tabloid by the Outlook was awarded second place.

Georgetown Graphic begins 40th year

The Georgetown Graphic, known as Kentucky's first offset newspaper, began its 40th year in late November with former owner and publisher Archie Frye recalling the first issue, November 30, 1955.

Frye said the first issue had problems getting on the press because of a heavy snowfall that blocked roads around Georgetown.

The Graphic not only was Kentucky's first offset newspaper but also, being typeset on a Varsityper, made it Kentucky's first newspaper to be printed by the cold type process.

Other FOI issues:

University of Louisville president Dr. Donald Swain has refused to release the contents of a letter from Humana Inc., claiming the letter is private correspondence and not subject to the state's Open Records law.

State officials have refused to make public allegations by former employees of LWD, Inc., in Calvert City about violations of mishandling hazardous wates at its three incinerators in western Kentucky.

Don Harker, former director of Waste Management for the state, said the employees told of the violations in sworn statements but are fearful of retribution and the state is "still trying to protect those employees" by refusing to release the statements to the public.

NNA Update

By Max Heath
Kentucky NNA State Chairman

The House and Senate conferees have approved full funding for 1990 revenue forgone appropriations. Nevertheless, revenue forgone may suffer a small cut as a result of Senate-passed legislation to fund the drug war. It is not clear whether this small cut could cause a rate increase and it's also possible that Congress will fail to meet Gramm-Rudman targets and an across-the-board cut will occur for most government programs except entitlements. If neither of these events occur, in-county second class rates should remain stable through September, 1990.

Brown Sack Status Report

The 1986 five-year commitment to have all second class in brown sacks by 1991 is on target. Six and a half million have been bought so far, with 3 million more needed. A request is in for 1.5 million each in FY90 and 91 at a cost of \$7 million per year. USPS agrees that the 3 million plastic sacks are unsatisfactory while the 3.5 million cloth in the system work well and last longer.

Beginning in January, 1990, brown sacks will be phased in regionally in this order: Western, Southern, Northeastern, Central and Eastern for use by all second class mailers. Newspapers should be getting all the brown sacks they need now. If you are not, call me at (502) 633-4334.

Publication Watch Problems

The major issue at the nationwide Focus groups in each of the five postal regions is the new Publication Watch (PS Form 3721). Some publishers are having problems providing the subscriber's label or a suitable facsimile. Small newspapers need to take advantage of this improved process, and get as much information on the form indicating preparation as possible. I'd like to hear any success stories or problems to report.

Undeliverable 3C Goes in Trash, DM News Reports

A recent report in Direct Marketing

Heath receives NNA Award

Max Heath, executive editor of Landmark Community Newspapers in Shelbyville, and past president of the Kentucky Press Association, was awarded the National Newspaper Association President's Award during NNA's convention in Atlanta.

Heath was recognized by NNA president Tom Bradlee for his untiring efforts to the association, especially for his work in postal areas. Since 1976, Heath has worked with national newspapers in a number of capacities - including Kentucky state chairman, and chairman of NNA's Postal Committee.

Heath said the award was "totally unexpected" and recognized those in the industry who had helped him along the way, particularly Ed Schergens. It was Schergens who got Heath involved with newspaper associations. Max said, "We share a common love of small-town newspapering."

News of a 1988 internal postal audit has caused consternation among postal officials.

The audit reported that 79.2 percent of post offices checked had deliverable as addressed and undeliverable bulk business mail in the trash. That's up from 76 percent in 1975.

"Mountains of third class mail were also found delayed at BMC's," according to the article.

The Postal Service report claimed to have found properly addressed mail frequently destroyed or delayed at the 11 post offices and 12 bulk mail centers it visited.

Marcus Smith, of Postal World, said the report was "weak in tone compared to the audit itself" but did admit that a lot of changes have occurred in the past year, including placement of endorsements that could have improved third class handling. And mailer error, which could be responsible for more of the problem, was not emphasized in the audit report.

Clearly, newspapers armed with a copy of the audit report (under FoIA) have arguments in favor of newspaper preprint distribution. Of course, many post offices deny the inspector reports and maintain all is rosy.

Nominations open for Templin Award

Nominations are now being accepted by the Lexington Herald-Leader for the 1989 Edwards M. Templin Award.

The award has been given annually since 1968 by the Herald-Leader in memory of Templin, who was promotion director of the newspaper and president-elect of the Kentucky Press Association at the time of his death in 1967.

The award is presented during the KPA Winter Convention to a newspaper person performing the most outstanding community service.

Nominations, complete with a description of the community service performed by the nominee, should be sent to Lewis Owens, Lexington Herald-Leader, 100 Midland Avenue, Lexington, Ky., 40508.

LRC Media Day, KPA Legislative Reception is Jan. 4

The Legislative Research Commission is holding its Media Day, Thursday, January 4.

Media Day allows members of the press to hear Legislative leaders discuss the General Assembly, which opens January 2 for the 1990 session.

Media Day begins with registration at 9 a.m., followed at 9:30 with remarks by legislative leaders including House Speaker Don Blandford and Senate President Pro Tem John (Eck) Rose.

Several materials intended to familiarize the media with the people and the issues involved with the session will be available. There will also be a tour of legislative facilities in the Capitol and the Capitol Annex.

The LRC Media Day will be held in room 116 of the Capitol Annex.

The LRC also encourages newspapers to set up interviews or lunch with local legislators during the day.

At 4:30 p.m. on January 4, the Kentucky Press Association is sponsoring its second Legislative Reception.

The reception, to be held at the Capital Plaza Hotel in Frankfort, brings together legislators and members of the Kentucky Press Association.

The reception is scheduled to end at 6 p.m.

Hotel room reservations are available by calling the Capital Plaza Hotel at (502) 227-5100. KPA has reserved a block of rooms at \$49 single, \$55 double.

Pressing issues including education, corrections, human service, roads, succession for some statewide offices and elimination of others, and the budget will dominate the headlines when the General Assembly convenes on January 2.

The legislature will be in session for 59 legislative days. Under the Kentucky constitution, the legislature may meet for up to 60 days and the session must end no later than April 15. The legislature will recess for veto days March 30 through April 10, then return to Frankfort April 11-12 to consider action on any vetoes issued by the governor.

APR 19 Rec'd
University of Kentucky
Library

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