



Maryland | Delaware | DC Press Association

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To: Ways & Means Committee

From: Rebecca Snyder, Executive Director, MDDC Press Association

Date: February 16, 2023

Re: HB 540 - SUPPORT

The Maryland-Delaware-District of Columbia Press Association represents a diverse membership of news media organizations, from large metro dailies like the Washington Post and the Baltimore Sun, to hometown newspapers such as The Herald-Mail and Star Democrat to publications such as The Daily Record, the Baltimore Times, and online-only publications such as Maryland Matters and Baltimore Brew.

The Press Association is pleased to support HB 540, which would benefit small and medium-sized businesses in Maryland AND local news media outlets by creating a tax credit up to \$1,000 in the first year and \$500 in subsequent years for costs incurred for advertising through a news media entity.

This simple bill creates a stronger incentive for businesses to place advertising in print, online and broadcast outlets that serve their local communities. Local news media has a very wide audience and knowledge of local communities that businesses need to get their message out. For instance, MDDC members reach over 2 million readers each week in print and over 70 million readers online.

It's no secret that the news media industry is undergoing radical shifts as big tech, such as Google and Facebook, monetize consumer data and use monopolistic power to edge competitors out of the advertising markets. Advertising dollars support local newsgathering efforts – it is a critical component of the business model – and the only one for many free news outlets. This bill will help encourage advertising dollars back into local communities and benefit small and medium businesses to boot.

When advertising dollars drop significantly, those revenue affect the entire news media outlet, including the newsroom. This bill will help support journalism in Maryland, keeping the public informed and invested in their communities. The Press Association urges a favorable report.



We believe a strong news media is central to a strong and open society. Read local news from around the region at www.mddcnews.com