



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

HOUSE BILL 51
BUSINESS REGULATION - SALE OF LOCAL NEWS ORGANIZATIONS
SUPPORT

Mr. Chairman, Mr. Vice Chair, and Esteemed Colleagues:

I am pleased to present HB 51, which implements a 120-day notice prior to local news organization sales, to provide a window of opportunity to keep local news organizations locally owned.

This bill emulates a law established last year in Illinois called the Strengthening Community Media Act, which also includes a 120-waiting period before local news organizations can be sold to out of state buyers. House Bill 51 would prioritize local buyers over out of state organizations, allowing local news organizations in Maryland to remain local. This would be achieved through a mandatory written notice of sale provided 120 days BEFORE the sale, to the organizations' employees/their affected representatives, county government, and Maryland-based nonprofits in the business of buying local news organizations.

The bill also defines local news organization that are print-only; digital-only; or hybrid digital and print, detailing the percentage of local news content it must include. This is to help avoid "ghost" news organizations that have no local journalists or local coverage.

BACKGROUND:

Illinois passed this act in response to its ailing local news sector. But Illinois is not alone; in fact, since 2005 there has been a loss of nearly 3,000 newspapers nationwide. According to

Northwestern University's annual State of Local News report, more than half the counties in the United States have just one or NO local news outlets.

There is also a significant disparity around where newer, digital-only or ethnic media organizations locate, which is primarily around urban areas. So, when communities in lower income or rural areas lose their local newspaper, they are less likely to get one in its place. A co-author of the study, Sarah Stonebely, called ours a country of "journalism haves and have-nots" and said in rural and less affluent areas, increasingly there "just isn't any local journalism at all."

LOCAL NEWS IN MARYLAND

Maryland has no counties without a news source and seven counties with just one. We are in better shape than other states; however, a University of Maryland School of Journalism report found more than 60% of these outlets having a staff of five or fewer, and 40% could be facing a shutdown within five years without an infusion of funds.

Local news is an important source of local information about government, public safety, neighborhood issues, schools and more. It also promotes public awareness and increases civic engagement, which all of us as elected officials need to better do our jobs.

Without local news there is little to maintain this connection or spread awareness and information on pressing local issues.

This notice may have helped when the Baltimore *Sun* was sold in a private deal in January 2024; employees of the paper or a nonprofit organization like The Banner Group might have been interested in purchasing it and had a chance to make an offer before the owner of the second largest television station operator in the United States bought it for an undisclosed amount. A 120-day waiting period in combination with the written notice potentially could have allowed for the Baltimore *Sun* to become employee owned.

Maryland's local news organizations need help. HB 51 could stabilize this important business sector. Thank you and I urge your favorable report.

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