

Maryland | Delaware | DC Press Association

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Later

To: Economic Matters Committee

From: Rebecca Snyder, Executive Director, MDDC Press Association

Date: January 22, 2025

Re: MDDC NO POSITION HB 51

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

HB 51 takes its inspiration from an <u>Illinois law</u> that passed in 2024 and went into effect January 1, 2025. No newspapers have yet been sold under the new law.

The Press Association is in communication with Delegate Lehman regarding this proposed legislation. At this time, the Press Association is concerned about the bill in at least four respects:

The timing requirement. We believe this bill may have unintended consequences for smaller publications, which may need to promptly change ownership for economic reasons. A small publication facing economic pressure simply may not be able to wait an additional 120 days for new ownership.

Ambiguous language. To give just one example of the ambiguous language in this bill, it requires a seller to notify "any nonprofit in the State that is in the business of buying local news organizations." See Pg 3, Line 25-26. To our knowledge, no nonprofit currently exists that buys local news organizations. Nor is it clear where that information would be held, or whether that needs to be the only focus of the nonprofit.

Enforcement by invalidation of sale. The stakes are very high in this bill. If the required notice is not provided – and it is not clear who is checking that notices have been provided, including to ambiguously-defined entities that may not exist – then the sale "may not be completed." This may open sales up to possible litigation to invalidate them, which may deter potential buyers from purchasing news outlets.

First Amendment concerns. Requiring print and digital news media organizations – but not any other businesses or nonprofits – to satisfy the bill's requirements when changing ownership places a regulatory burden on the press alone, and singling out the press for increased regulation raises fundamental First Amendment concerns. If the goal is to keep local ownership or encourage investment in local news, therefore, it may be more useful for the State to rely on carrots rather than sticks.



We believe a strong news media is central to a strong and open society.

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