

REBUILD LOCAL NEWS

March 10, 2025

Maryland House Health and Government Operations Committee
240 Taylor House Office Building
Annapolis, Maryland 21401

Chair Delegate Joseline A. Pena-Melnyk and Vice Chair Delegate Bonnie Cullison and members of the Committee:

My name is Steven Waldman and I am the chair of Rebuild Local News, the leading nonpartisan, nonprofit coalition developing and advancing effective public policies designed to strengthen community news and information. This alliance pulls together local publishers and labor unions, trade associations and civic groups, newsrooms representing both rural and urban communities. Together, these 50 organizations represent over 3,000 newsrooms and 15,000 journalists, including many in Maryland.

HB1119 takes a unique – and budget-neutral – approach to revitalizing local news. This bill would keep government agency advertising dollars circulating in local communities rather than sending taxpayer money to out-of-state businesses like Google, Meta or national cable TV networks. Setting aside a portion of state advertising for community media is an innovative and hopeful policy approach that will ultimately allow Maryland's local news organizations to deepen and expand coverage of essential civic and community life across the state .

A similar municipal-level advertising set-aside approach is already showing substantial results for community and ethnic news outlets in New York City. In 2023, that program directed nearly \$17 million in public advertising toward those local publishers, up from \$1 million in 2020. Small publishers including the Haitian Times have been able to add staff and improve news coverage because of the additional revenue. There is no evidence that this harmed the city's ability to effectively get their

messages out, and indeed in many cases they were able to better reach hard-to-reach audiences. Maryland would lead the nation with a statewide government advertising set-aside approach; HB1119 would be the first bill of its kind to pass at the state level.

What is also important about this bill is what it does not do. It does not require an increase in spending on government advertising. It merely prods state agencies to ensure half of its advertising is done locally. HB1119 does not impact how agencies advertise their messages – the content of government advertisements remains determined entirely by the state agencies in collaboration with their marketing and ad professionals. The bill also does not require any particular news outlets to benefit. Agencies may still choose the local media outlet that best connects them with the audiences they want to reach – through newspapers and their websites, online-only news sites, local TV or local radio and broadcast stations. The bill preserves government agencies working through traditional advertising processes.

We do recommend adding two components to the bill. First, we suggest a “transparency” provision – requiring the state to make public where the ad spending is going (down to the media outlet). This is just good government, and could save the state money by increasing competition for ad placements. Second, we suggest giving agencies some flexibility on the requirements if they make an affirmative case that they’ve explored local news outlets and determined that placing ads there would materially harm their ability to achieve government marketing goals.

The crisis faced by local news organizations and the communities they serve is well known, ongoing, and a threat to our democracy. It is particularly dire for small and medium sized communities, some of which are now news deserts – without a source of local news coverage altogether. Maryland has not been spared from the ill effects of this crisis; the state lost two daily and five weekly newspapers over the past year alone. Between 2013 and 2023, according to the Medill State of Local News project at Northwestern University, Maryland lost more than 65 percent of its journalists.

We’ve learned what happens when communities lack local journalism by studying the effects of the closure of more than 2,000 newspapers since 2004 – losses that continue at a pace of 2.5 newspaper closures on average per week. Voting rates decline. Municipal borrowing costs can go up. Government waste increases, Citizens tend to feel less connected to their communities when a local newspaper

closes. Polarization goes up. Even news organizations that have weathered this unprecedented crisis are doing so with fewer journalists. Newspapers have lost at least 57% of newsroom employees since 2004, even as the community populations grow, leaving fewer journalists stretched too thin.

Unfortunately, the challenges facing local news organizations are becoming the rule in communities across Maryland and in every state, not the exception. What is exceptional is the bill before this committee.

HB1119 is a smart and tested approach to supporting Maryland's local news outlets that fits within historic and recent precedents. I urge the Committee to advance the bill, not just for the health of Maryland news outlets, but for the health of communities across Maryland.

Sincerely,
Steven Waldman
President, Rebuild Local News