



Maryland | Delaware | DC Press Association

P.O. Box 26214 | Baltimore, MD 21210

443-768-3281 | rsnyder@mddcpres.com

www.mddcpres.com

To: Ways and Means Committee

From: Rebecca Snyder, Executive Director, MDDC Press Association

Date: February 11, 2025

Re: **SUPPORT HB 891**

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 Annapolis Capital and the Maryland Gazette to publications such as The Daily Record, the Baltimore Times, and online-only publications such as Maryland Matters and Baltimore Brew. Our members are central pillars of their communities, providing not only news and information that is critical to the public, but jobs and other economic contributions. The majority of our members are small businesses, defined as fewer than 50 employees. The Local News Ecosystem report (published April 2024) from the University of Maryland shared that 90% of the news outlets they surveyed had news staff numbering fewer than 20 people. Our members are non-profits, independents, minority-owned, and parts of news media groups. Our members all have a commitment to professional journalism and serving the public through news and information.

The Press Association strongly supports HB 891, which would provide a State income tax credit for local newsroom employees for for-profit local newsrooms and a payroll tax credit for non-profit local news organizations. This is a critical bill that will help support local news. For decades, local news media organizations have been at the core of their communities, providing critical information, facilitating public discourse, and holding power to account. Although digital formats now supplement print publications, the watchdog role of news media has remained constant. This bill helps all local media organizations sustain newsgathering efforts.

News media is in crisis across the nation. According to the [2024 State of Local News Report](#) from the Local News Initiative of Northwestern University, "The newspaper industry has shrunk dramatically since 2005; over the past two decades, more than 3,300 newspapers have ceased printing. A small number of these have successfully transitioned to digital-only operations, but this is a rare pivot, and most of the losses have been caused by closures and consolidations." Maryland has one of the highest attrition rates for news reporting jobs in the country over the past ten years. ([Five Dubs podcast with Tim Franklin](#), Local News Initiative director). When local news outlets shutter, corruption follows. "New research from [Brad Greenwood](#), the Maximus Corporate Partner Professor of Business at the [Costello College of Business](#) at George Mason University...[found] evidence that when local papers topple, political corruption springs up in their wake.

The researchers focused on U.S. federal districts that lost a major daily newspaper during the years 1996 to 2019. They compared the number of corruption charges (bribery, embezzlement, fraud, etc.), defendants, and cases filed in district court before and after the newspaper closure. The results were striking: Overall, the

disappearance of a newspaper delivered a 6.9% increase in charges, a 6.8% increase in the number of indicted defendants and a 7.4% increase in cases filed.” ([George Mason University article 11-26-24](#))

Maryland has an opportunity to help local news. States such as New York and Illinois have signed tax credit packages into law and the outlook is promising. Maryland should be next. This bill is an effective way to support local news by focusing on tax credits for newsroom staffers. Extending the tax credit for five years allows news media organizations to adequately plan for staffing, rather than chasing fellowship or grant dollars. This bill is modeled after the federal Local Journalism Sustainability Act and would help support newsrooms around the state.

We urge a favorable report.