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## **OLR Bill Analysis**

### **HB 5408 (as amended by House "A")\***

#### ***AN ACT CONCERNING THE PURCHASE OF PRINT AND DIGITAL ADVERTISING BY THE STATE.***

#### **SUMMARY**

Starting July 1, 2025, this bill generally requires certain state agencies buying print or digital advertising to contract, within available appropriations, with in-state news publishers for at least 15% of the total annual value of the agency's advertising contracts. These publishers may be commercial or non-profit, but they must (1) disseminate original news content to the public by print, broadcast, photographic, mechanical, electronic, or any other means or medium; (2) have been producing this content for at least 12 months; and (3) have their principal place of business in Connecticut. For news publishers owned by a parent company located outside of Connecticut, the bill deems the principal place of business as the parent company's location.

The state agencies subject to the bill's requirement are any department, board, council, commission, or other executive branch state agency except for each constituent unit of the state higher education system.

The bill exempts state agency contracts for print or digital advertising primarily directed at an out-of-state audience, such as those for out-of-state tourism, economic development, or employee recruitment. It also allows an agency to request a waiver if it determines that following this requirement would interfere with an advertisement's purpose. An agency may request the waiver from the Department of Administrative Services (DAS) commissioner, in a form and way she sets, but it must clearly document the reasons for the request.

The bill requires the DAS commissioner, by June 1, 2025, and within available appropriations, to establish guidelines for any contracts

entered into under the bill's provisions. In doing so, she may accept voluntary assistance from in-state higher education institutions or other neutral third parties with relevant experience.

Starting by December 1, 2025, the bill requires each state agency to annually give the DAS commissioner a summary of all print or digital advertising it purchased during the preceding fiscal year, including the amounts spent. The information must be given in a form and way set by the commissioner. Then, starting by February 1, 2026, and within available appropriations, the commissioner must annually give the Government Administration and Elections Committee a report that summarizes (1) advertising bought by the state agencies during the preceding fiscal year; (2) the amounts they spent on the advertising; and (3) any waiver requests received by the commissioner, whether they were granted or denied, and the reasons why.

\*House Amendment "A" (1) delays implementation of the bill's requirements by six months, (2) decreases the bill's required amount of in-state advertising contracts from 50% to 15% of an agency's advertising contracts, (3) requires certain actions to be done within available appropriations, (4) specifies that exempt advertising must be primarily directed at an out-of-state audience, and (5) defines the state agencies subject to the bill.

EFFECTIVE DATE: July 1, 2024

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable

Yea 13    Nay 5    (03/22/2024)