

Government Administration and Elections Committee

JOINT FAVORABLE REPORT

Bill No.: HB-5408

AN ACT CONCERNING THE PURCHASE OF PRINT AND DIGITAL

Title: ADVERTISING BY THE STATE.

Vote Date: 3/22/2024

Vote Action: Joint Favorable

PH Date: 3/8/2024

File No.:

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Government Administration and Elections Committee

REASONS FOR BILL:

The legislation, in response to loss of, and to encourage protection of local news sources, aims to require executive branch state agencies to purchase a certain percentage of procured print or digital advertising from in-state commercial or nonprofit news publishers

RESPONSE FROM ADMINISTRATION/AGENCY:

Jeffrey Beckham, Office of Policy and Management Secretary:

Opposes as the strict adherence to an advertising expenditure percentage frustrates the purposes of advertising and doesn't provide taxpayers with the best value of their advertising dollars. State agencies, to seek the best value, must have the discretion to advertise on platforms that best reach its target audience. This bill frustrates that purpose, requiring a state agency to expend at least fifty percent of their advertising budget on in-state news publishers, even if they are not the most effective means. Requests the bill is amended to remove the strict percentage and replace it with a general preference for in-state publishers.

NATURE AND SOURCES OF SUPPORT:

Ted Craft, Weston Today Print Editor:

Supports the bill as editor and publisher of Weston Today, as it is a modest way to let local news outlets know that the state of Connecticut has their back.

Liz Dupont-Diehl, CCAG Associate Director:

This bill provides a modest but important step in supporting local news outlets and coverage. Private equity and corporate ownership have had a devastating impact on Connecticut's news ecosystem. Requiring half of state media advertising dollars to go to locally owned outlets is a necessary and feasible first step to support journalism in the state.

Kate Farrar, State Representative:

The bill addresses the loss of local news around the state. A free and independent press is a cornerstone of democracy and holds us accountable as public officials, informs citizens about important issues, and provides a platform for diverse voices. The state government can protect local news sources, and this bill is a revenue neutral solution.

Anne Hefter, CT League of Women Voters Legislative Specialist:

The bill supports principles that are core to the League's mission, namely the citizens' right to know and encouragement of civic participation. Public funding for news is an excellent concept already being used in other municipalities where similar legislation has passed.

Bernard Kavalier:

Passage of the bill would put Connecticut owned media outlets on the field of play for an appropriate share of the allocation of advertising dollars. Local reporting and local news outlets are a cornerstone of democracy. Supporting such organizations is supporting an informed citizenry and keeping Connecticut dollars in Connecticut.

Maria Lino, CT en Vivo News:

The struggle has intensified especially on multicultural platforms to receive resources. Many outlets are at risk of closing due to inflation and lack of support. Asks the state to direct a percentage of advertising budget to be directed to local and ethnic media, as these communities rely on ethnic media outlets for information to provide information about local happenings that affect their daily lives.

Bruce Putterman, CT Mirror CEO & Publisher:

The bill is intended to support local journalism, by allocating a portion of budgeted state advertising dollars to CT based news publishers. State spending is skewed toward out-of-state for-profit companies. The bill is revenue neutral, and similar legislation has been successfully adopted in New York City and Chicago. It would not present a burden to the state or its advertising agencies.

Claire Schoen, NancyOnNorwalk:

Local news outlets cannot compete with the budgets of corporate news conglomerates but are competitive with the news that they deliver. As the eyes and ears of the community and a public service, they need funding. Local news has been crippled and there are consequences for our democracy that include less civic engagement, lower voter turnout, and a broader spectrum of misinformation.

Mikhael Simmonds, Center for Community Media Executive Director:

Local news provides an opportunity to stay informed that impact us and plays a vital role in serving smaller communities with fewer resources. Limited advertising budgets have reduced the financial sustainability of many local news outlets. This bill is a solution to this problem and does not require new additional funds to be directed to local news organizations but

rather asks the state to direct a percentage of an already established budget to local news. Supporting the resolution is a step to protect our democratic principles.

Randall Compton, Programmatic Media Expert:

The bill will support journalism jobs in our state without any additional cost expenditure. Purchasing from local media will be no more costly or complicated than purchasing any other media that reaches CT residents and many smaller outlets may have less reach but more authority for readers and viewers of advertising.

Benjamin Crnic, Daily Voice:

Local news continues to lose advertising dollars in an unbalanced industry. Local news is critical to maintain a thriving democracy, and when local journalism decreases voting rates then decrease, borrowing costs go up, civic engagement activities go down, and polarization increases. It is in the best interest of the taxpayers ensure their dollars are being used to benefit their local communities.

Richard Davies, Davies Content:

Local news continues to lose advertising dollars in an unbalanced industry. Local news is critical to maintain a thriving democracy, and when local journalism decreases voting rates then decrease, borrowing costs go up, civic engagement activities go down, and polarization increases. Encourages committee to consider the vital impact local journalism has on the strength of our communities.

Ruth Espinoza, Identidad Latina Multimedia Director:

Local organizations have been forced to close offices, decrease the scope of reporting, and loses staff as they are unable to compete with competitive salaries in an unbalanced industry. The Latino community is growing in the state and there are few local Spanish news organizations. Encourages the committee to consider the incredible impact local journalism has on the vibrancy of our communities.

Doug Hardy, CT News Junkie:

As a local news organization, CT News Junkie has never generated enough revenue to hire its first employee, reporters work on a freelance basis. Connecticut's news industry's most valuable assets have been liquidated and siphoned out of the state. This bill will help the issue local news organizations face in a direct way and will serve as a lifeline for locally owned and operated organizations subsisting around the state.

Lori Henson, Rebuild Local News Policy Manager:

The bill provides a unique approach to providing public support for local news. It will allow local news organizations to deepen and expand coverage of essential civic and community life across CT while protecting editorial independence. CT will lead the nation with this statewide government advertising set-aside approach, as it is the first bill of its kind at the state level. The approach shows great results in New York City, where a similar approach has been undertaken.

Alex Knopp, Former State Representative:

The collapse of local news is bad for democracy, as research shows civic engagement is strongly tied to local news habits. CT's local reporters play a central role in continuing to shed light on lawmakers' decisions and actions. The bill is a pragmatic solution to a trending media

problem, and Connecticut has the opportunity to set a national standard for funding of local news by being the first in the country to pass legislation at the state level.

Joe Lombardi, Daily Voice:

The role the news media plays in informing and educating the public cannot be overstated, and the steady and deep decline of strong, universal local news coverage has resulted in a clear and present danger to the civic health of communities. The passage of this bill can help reverse this decline.

Cheri Quickmire, Common Cause CT Executive Director:

The loss of local media across the country is making government less transparent and leaving many Americans uninformed. School board, city council, and board and commission meetings are going uncovered, reporters are overstretched, and newspapers have become thin and publish irregularly. When media disappears, democracy suffers. This bill would create a winning scenario for all, as local news outlets would be able to better serve the community.

Carol Reimers:

Interested in keeping up with local news through local news outlets, and the fact that local news outlets are struggling is of concern. The bill is a vital answer to ensuring that there are adequate resources for local journalism. It is also a key to offer job opportunities to current CT residents.

Vira Mamchur Schwartz, Cantata Media:

Urges support for this bill as a lifeline for local news media companies in the state. With its passage is an opportunity to reverse the decline in local news funding and revitalize outlets and reporters that care about informing communities. Revitalizing local communities increases in-state journalism job opportunities, which would benefit graduates of journalism at universities throughout the state.

NATURE AND SOURCES OF OPPOSITION:

Dr. Linda Dalessio:

Opposes, as it is state-funded media at taxpayers' expense. Believes government has been allowed through amendments added to the Smith-Mundt Modernization Act to use propaganda against its own citizens.

Reported by: Lindsay de Brito

Date: 4/4/24