

Government Administration and Elections Committee

JOINT FAVORABLE REPORT

Bill No.: SB-1230

AN ACT CONCERNING THE PURCHASE OF PRINT AND DIGITAL

Title: ADVERTISING BY THE STATE.

Vote Date: 2/28/2025

Vote Action: Joint Favorable Substitute

PH Date: 2/7/2025

File No.:

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SPONSORS OF BILL:

Government Administration and Elections Committee

Rep. Kate Farrar, 20th Dist.

Rep. Kevin Brown 56th Dist.

Rep Nick Gauthier, 38th Dist.

Rep. Mary Fortier, 79th Dist.

Rep. Maryam Khan, 5th Dist.

REASONS FOR BILL:

There is a growing concern over the erosion of local news publishers in the state. This bill seeks to protect the local news industry by requiring state agencies to purchase a certain percentage of print or digital advertising from local instate news publishers.

JFS Language:

The substitute language defines what constitutes a state agency while drawing out exceptions for higher education institutions in Section 1, lines 6–9. The language also addresses concerns about the percentage being too high and lowers it from fifty to fifteen percent within available appropriations.

RESPONSE FROM ADMINISTRATION/AGENCY:

Jeffery Beckham, Secretary, Office of Policy and Management:

As drafted the bill requires state agencies to expend at least half of their advertising budget on in-state news publishers. It is the state's obligation to seek value and attain the most effective

and efficient advertising services. Connecticut publishers may not be the most effective means to reach our target audience. Advertising with a Connecticut news publisher and a national news publisher may achieve similar results it is not unreasonable to use the Connecticut entity. We request that the bill be amended to remove the strict percentage and replace it with a general preference for in-state news publishers. Enactment of this bill may incentivize our neighboring states to enact similar laws limiting revenue opportunities to Connecticut entities.

NATURE AND SOURCES OF SUPPORT:

Rep. Kate Farrar, 20th District:

We the legislature are attempting to address the loss of local news across our state that threatens the civic health to our communities. The free and independent press holds accountable public officials. Informs citizens and provides a platform for diverse voices. Our country is losing newspapers at a rate of more than two a week. In communities without a strong print or digital news organization, voter participation declines, more misinformation is spread, corruption increases, and there is a reduction of trust in the media. The bill is a revenue neutral solution and takes a creative approach to redirecting of our state budgeted government advertising dollars to Connecticut-owned outlets supporting the vitality of local news.

Bruce Putterman, Publisher, CEO, Ct Mirror:

I have included in my testimony three points to OPM Secretary Beckhams testimony: Paywalls, Carve-Outs, and Price. I am also including the trends in local journalism over the last 20 years. Requiring some minor adjustments to how the state buys advertising could be worked through creative and collaborative implementing. It would be worth it for the sake of supporting and sustaining local journalism. I am happy to work with all the state agencies of develop an implementation process that strikes a balance.

Mark Berns, Board President, NancyOnNorwalk

Claire Schoe, Board Member:

Ashley Smith, Managing Editor:

As a nonprofit news site focusing on Norwalk's government, land use and education local journalism is more important considering the country's political upheaval. Local news coverage leads to increased civic engagement and higher voter turnout. Advertising is a small but a critical part of revenue that keeps us going and additional state advertising would be a key to our sustainability. Through this bill, many other print and digital news publishers would be eligible for funding. This is a creative solution to keep local journalism alive.

Heather Borden Herve, Editor, Good Morning Wilton:

We are a news website that has been running for 11 years and is just about Wilton. We publish 4-5 articles a day about Wilton, by Wilton reporters who live in town. The big corporate Norwalk newspaper does not carry much on Wilton. We are the eyes and ears for voters and citizens, keeping them informed about elected officials and governing agencies. Town officials and residents tell us we increased voter turnout because they are better informed. Taxpayer dollars fund the state's advertising budget, and it is in the best interest that their dollars benefit local communities and locally owned business.

Doug Hardy, Owner, Publisher, CTNews Junkie:

As a nonpartisan publication that covers politics and public policy in Connecticut focusing on the General Assembly, we support the bill. As an LLC for-profit since 2005 we have managed to stay afloat by reinventing ourselves over the years. Over the last 22 years we have lost over 60,000 journalists- professional fact-checkers, truth-tellers and watchdogs. Hedge Funds continue to siphon away the salaries of newspaper journalist who held people and institutions accountable. The government spends a great deal of money on advertising and keep it in Connecticut would allow locally owned and operated organization additional revenue. We are faced with pressure on advertising rates because of the big platforms such as Google Ads, Facebook, and others. Without publications like ours and many other residents will be less informed and more cynical.

William Hoelze, Courant Research Manager (Retired):

Requiring the state to invest part of its advertising budget to nonprofit news media ensures local, nonprofit news media will receive support for their important mission. Other states are instituting these types of programs. The "Fourth Estate" plays an important role in informing people about their state government.

Susan Clark, Publisher, Redding Sentinel:

In 2022 with friends, we started the Redding Sentinel for the Town of Redding. The Redding Pilot was shuttered in 2018. We are a commercial enterprise that reaches more than one-third of households in Redding. A local newspaper informs residents about schools, sports, businesses, town government, cultural and arts activities, and much more. We print legal notices about zoning, budgets, special town meeting and other critical activities to our community. We are entirely local and focus only on Redding and its residents. Connecticut based media outlets pay taxes in Connecticut and government agencies should spend their funds on local businesses.

Ted Craft, Editor, Weston Today:

As editor and publisher of Weston Today, we launched in 2018 because our town had become part of the news desert. We deliver it free, funded only by advertising revenue. It is unlikely given our size that any state agency would need to advertise with us but for others the modest revenue potential could be a lifeline. Local operators are accountable to readers and the most directly accountable source of news. This legislation could be a way to support people that the state wants communities delivering direct news.

David Fortier, Executive Editor, Bristol Edition:

As a hyperlocal online community paper, we are trying to fill the gap between out of state corporations and reduced coverage on city meetings and local events. We struggle for funding, and this would help to shore up local newspaper operations. Newspapers inform people, foster civic engagement, reconnect social ties, and make life better. Reserving this source of funding acknowledges their work and fosters democracy.

Reggie Hales, Publisher, Inquiring News-CT:

I publish a weekly black newspaper that has been providing community news for over 50+ years. We continue to outweigh the negative stories from other news outlets. We are a voice for minority people who struggle to succeed and survive in a world that portrays us as thugs and drug dealers. We need help to continue improving lives with positive and informative news. Community papers have the trust of their communities and have better knowledge than a passing report.

Steven Waldman, Rebuild Local News:

Local news has been collapsing on average about 2.5 newspapers each week. This has resulted in the loss of journalism jobs and vital news outlets across the country. This is a creative bill that would bring more resources to local news without increasing government spending. Giving the state flexibility to put more funding into locally owned newspapers and websites along with Connecticut's public media system. This would be a welcome form of assistance.

Anne Hefter, Legislative Specialist, League of Women Voters of Connecticut:

News outlets inform communities of local news often at no cost. The collapse of local news poses a tremendous threat to our cities and towns. The loss of local news leads to fewer candidates running for office with a direct impact on civic engagement and reduced voter turnout. We can reverse this and restore resources to local news outlets with this bill.

Bradley Dancer, General Manager WSHU Public Radio:

Local news outlets are the backbone of our communities and we have seen a dramatic reduction in local journalism due to financial instability. There has been an 81% drop in advertising revenue with over 2,000 newspaper closures. The consequences are: Lower Voter Turnout, Decreased Civic Engagement, Increased Political Polarization, and Diminished Access to Critical Local Information. This is an innovative and necessary measure to help strengthen the state's media landscape while preserving editorial independence. Cities like Chicago and New York have already adopted similar policies. We have an opportunity to be a national leader in preserving local journalism and also reinforce democracy itself.

Bernard Kavalier, Managing Editor, Connecticut By the Numbers:

Connecticut continues to focus on the success of small businesses. Connecticut-owned media outlets provide a valuable and essential role in providing awareness of matters of public interest and are connected to local communities. Some may be statewide and specialize in particular issues but their ongoing efforts help to better inform the public. We are all aware of what is happening nationwide, but we know that local reporting and local news outlets are the cornerstone of democracy. The implementation of this legislation will require some navigating by state agencies but it would ultimately benefit Connecticut residents, businesses, and industries.

Emanuella Palmares, Tribuna Newspaper:

As a small trilingual publication in the Greater Danbury region, we support the bill that would reinvest public advertising dollars into local news agencies instead of out-of-state for-profit companies that are not invested in Connecticut. Supporting this bill provides a lifeline to local news organizations that serve our communities effectively.

Pua Ford:

Democracy depends on good publication communications and responsible journalism requires humans to put the whole picture together into a news story. This bill is a simple solution to the erosion problem of our local news resources.

Dr. Bilal Dabir Sekou, Associate Professor of Political Science, University of Hartford:

There is no democracy without a free open and accessible internet, press, and protection of diverse media ownership for everyone. Giant corporations or hedge funds are purchasing an

increasing number of newspapers, radio, and television stations making media consolidate under the control of a few mega conglomerates. The bill creates the ability for the state to reach its citizens and still be able to advertise with other out of state owned or national outlets. A well-funded and independent press provides the public with information on important issues.

The following also submitted testimony in support of the bill:

Bill Bittar

Lorayna Hinton

Elsa Obuchowski

Carol Reimers

Vira Schwartz

Anonymous

NATURE AND SOURCES OF OPPOSITION:

Michael Kirk, Interim Vice President for Communications, UCONN"

We are concerned about the impact the bill may have on our recruitment of students and faculty. We ask that due to our unique marketing needs we be exempt from the bill. Requiring the purchase of 50% of procured print or digital advertising from in-state commercial or nonprofit is not possible for us. It would impede our ability to market ourselves competitively to the 16-24 demographic for recruiting student. We ask you to modify the bill to ensure that public higher education is exempt from its provisions.

Chris VanDeHoef, Executive Director, CT Daily Newspapers Association:

We oppose the bill because it blocks national publishers from equal competition and restricts state agencies from choosing the most effective advertising platforms. The bill could be perceived as a form of government interference in media operations. The bill excludes a member of CDNA, Hearst Connecticut who owns and operated 10 daily newspapers, 22 weekly newspapers 16 different websites and 2 magazines because their parent company is based in New York. We support local journalism but there are better ways.

The following also submitted testimony in opposition:

Joshua Caskey

Linda Dalessio

Debbie Esposio

Anonymous N-A-N- A

Reported by: Pamela Bianca

Date: March 11, 2025