

## Bob Ferguson ATTORNEY GENERAL OF WASHINGTON

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October 14, 2021

The Honorable Ron Wyden Chair, U.S. Senate Committee on Finance 221 Dirksen Senate Office Building Washington, DC 20510

The Honorable Richard Neal Chair, U.S. House of Representatives Ways & Means Committee 372 Cannon House Office Building Washington, DC 20515 The Honorable Mike Crapo Ranking Member, U.S. Senate Committee on Finance 239 Dirksen Senate Office Building Washington, DC 20510

The Honorable Kevin Brady Ranking Member, U.S. House of Representatives Ways & Means Committee 1011 Longworth House Office Building Washington, DC 20515

Dear Chair Wyden, Ranking Member Crapo, Chair Neal, and Ranking Member Brady:

We write in support of the Local Journalism Sustainability Act of 2021, H.R. 3940 and S. 2434. Local news is essential to the health of our states, communities, and our democracy. Local news organizations across the country have been struggling for many years because of significantly reduced revenue and the transition to online news. The COVID-19 pandemic exacerbated these challenges.

Local newspapers are responsible for half of our country's original reporting, although they only account for one-quarter of media outlets. In many rural communities, local news organizations provide the only information and updates about issues impacting the community. According to a 2019 report by the Pew Research Center, "those who say their local journalists are connected to their communities, those who prefer to get local news from TV and those who pay for local news all tend to give their local media higher evaluations – though the strongest division by far is between those who feel their local media are connected to the community and those who do not." Connection to the community is built through understanding and reporting on localized

https://www.pewresearch.org/journalism/2019/03/26/americans-give-fairly-high-marks-to-their-local-news-media-especially-when-journalists-are-seen-as-connected-to-the-community/ (last accessed October 13, 2021.)

<sup>&</sup>lt;sup>1</sup> "Why Supporting Local Journalism Is Good For Business," Vox Media, September 15, 2020, <a href="https://www.voxmedia.com/2020/9/15/21439119/why-supporting-local-journalism-is-good-for-business">https://www.voxmedia.com/2020/9/15/21439119/why-supporting-local-journalism-is-good-for-business</a> (last accessed October 13, 2021.)

<sup>&</sup>lt;sup>2</sup> "Americans give fairly high marks to their local news media, especially when journalists are seen as connected to the community," from: For Local News, Americans Embrace Digital but Still Want Strong Community Connection, Pew Research Center, March 26, 2019,

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needs and concerns, and investigating issues that may not get attention from larger news organizations without local ties.

In order to address the financial needs of local news organizations across the country, the Local Journalism Sustainability Act of 2021 will provide tax credits for local newspapers, digital publications, television, and radio. Among other benefits, this bill will provide a payroll credit for compensation of local journalists, and establish tax credits that are structured to incentivize advertising in local newspapers and local media, providing a needed financial boost.

Local news organizations in our states could benefit from these policies. Regional journalism is critical, as is journalism by and for Black, Indigenous, and people of color, including ethnic media organizations. These organizations are best positioned to identify, investigate, and report on issues of concern to their respective communities, and Congress should take action to support and strengthen them.

The Local Journalism Sustainability Act of 2021 is an important step to addressing the challenges impacting local news organizations across the country. We urge swift passage of this legislation, and look forward to working with you to find solutions to additional challenges to ensure the health of local journalism going forward.

Sincerely,

Bob Ferguson

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Kathleen Jennings

Delaware Attorney General

Karl A. Racine

William Tong

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District of Columbia Attorney General

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