CITY OF NEW YORK



MANHATTAN COMMUNITY BOARD FOUR

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JEFFREY LEFRANCOIS Chair

JESSE R. BODINE District Manager

March 11, 2022

Hon, Brad Hoylman New York State Senate Legislative Office Building, Room 310 Albany, NY 12247

Re: Local Journalism Sustainability Act

Dear Senator Hoylman,

At its February 7, 2022 meeting, the Arts, Culture, Education & Street Life (ACES) Committee of Manhattan Community Board 4 (MCB4) held a discussion on supporting hyperlocal media. The Committee heard from Darlie Gervais of the Center for Community Media at the Craig Newmark Graduate School of Journalism at CUNY, as well as the publishers of three highly-regarded local publications: Lincoln Anderson of the Village Sun, Phil O'Brien of W42St, and Scott Stiffler of Chelsea Community News. The Committee also appreciated the valuable participation of your Policy Director, Sam Vasquez.

The following comments were approved at the March 2, 2022 MCB4 Full Board meeting with 40 in favor, 0 against, 0 abstaining and 0 present but not eligible to vote.

Background

Local journalism is critical for maintaining the vibrant social fabric of our neighborhoods and keeping our community informed about local issues. In many cases, hyperlocal publications are the first to identify and investigate neighborhood issues that are later picked up by larger publications. As a Community Board, we have witnessed firsthand the importance of hyperlocal media in spreading the word about issues relevant to our Board and neighbors. Local journalism also creates jobs in our community; the Bureau of

Labor Statistics estimates nearly six thousand New Yorkers are employed as journalists, reporters and news analysts.¹

Hyperlocal media has been facing significant challenges in recent years, resulting in 1,800 newspapers closing in the United States since 2004², including 40% of newspapers in New York State.³ Local publishers have experienced challenges in securing ad revenue during the COVID-19 pandemic, high costs associated with digitization, and competitive pressures from the increasing consolidation of media conglomerates.

Board Comments

MCB4 applauds your work to support local journalism, notably by sponsoring the "Local Journalism Sustainability Act" (Senate Bill S7544, hereinafter "the Bill"). The Bill would provide a personal income tax credit of up to \$250 per year to people who subscribe to qualifying local news publications, and a business tax credit to publishers to help cover the salaries for full-time local journalists.⁴

However, while the provisions of the Bill are valuable steps in the right direction, our discussion with the local publishers who attended the ACES committee meeting highlighted ways to broaden the range of the Bill's beneficiaries. Many local publishers rely on ad revenue and voluntary contributions, rather than subscription fees, to support their work- so they would miss out on the benefits of the personal income tax credit proposed in the Bill. Providing a tax incentive for subscription fees could also have the adverse effect of more publishers erecting paywalls for their content. Additionally, many small publishers do not have the resources to hire full-time journalists, and instead work with freelance talent- they would therefore not benefit from the business tax credit as currently proposed in the Bill.

We encourage you to consider how your Bill could be modified to better support local publications that do not charge subscription fees and rely on freelance talent. Some potential approaches voiced by committee members were: (1) providing state tax benefits to local small businesses for advertising with qualifying hyperlocal publications, (2) providing state tax-exempt status for voluntary contributions to hyperlocal publishers,

¹ https://www.bls.gov/oes/current/oes273023.htm

² https://www.poynter.org/locally/2021/the-coronavirus-has-closed-more-than-100-local-newsrooms-across-america-and-counting/

³ https://www.usnewsdeserts.com/states/new-york/#1536357280470-403f9cb7-ca48

⁴ https://www.nysenate.gov/legislation/bills/2021/s7544, https://www.nysenate.gov/newsroom/press-releases/brad-hoylman/dont-stop-presses-senator-brad-hoylman-assembly-member-carrie

and (3) providing greater small business support services to hyperlocal publishers which are often one-person operations.

We again thank you for your work to support local journalism and are happy to collaborate in making progress on this important issue.

Sincerely,

Jeffery LeFrancois

Chair

Community Board 4

Allen Oster Co-Chair

ACES Committee

Kit Tollerson Co-Chair

ACES Committee