The COVID-19 pandemic has devastated local news across America. Since April, when advertising revenues that sustain the news business went into steep, pandemic-related decline, some 50 newspapers have closed, and more than 36,000 journalists have been laid off or furloughed at news outlets in small towns like Grayson, Ky., Centreville, Iowa, and cities like Tampa, Fla. In Wyoming, cuts that began at the start of the pandemic have left the entire state without a single newspaper that prints and delivers news seven days a week.

These are the most trusted sources of information for the communities they serve, and especially in rural areas, there are few if any digital alternatives filling the void. Local news—the information Americans rely on to deal with the COVID-19 crisis, learn about the heroic efforts of their neighbors, keep up with what’s happening in nearby schools and choose candidates in local elections—is in jeopardy unless Congress takes swift and decisive action to support the industry.

Americans depend on local news now more than ever to know what’s happening in their communities. Throughout the pandemic, with new developments surfacing every day, many outlets have made their online news available for free as a public service despite the financial strains they face. Supportive readers have subscribed in record numbers, but it’s not enough. Some 460 small news organizations have found a lifeline in Paycheck Protection Program (PPP) loans ranging from six-figure sums up to $12 million dollars to keep reporters and other staff on the job.

But in many small and mid-size communities, the tiny local newsroom is owned by a larger chain with too many employees in aggregate to qualify for PPP help. Options for local news outlets have dwindled in recent years as economic pressure and consolidation have left newsrooms with skeletal staffing—even before a wave of furloughs took even more journalists off the street. Each of these losses chips away at the important role local news plays in American lives:

- **Lifesaving info during the COVID-19 pandemic**: Local journalists keep their communities informed about which hospitals are at capacity, the latest guidance from public health officials and state and local authorities, and other impacts the virus is having in their area.
- **Keeping communities connected**: Local journalists keep their communities updated on everything from
the high school football team, to the latest school board meeting, to the new restaurant in town and local political races.

**Providing jobs and economic impact:** Local news outlets employ tens of thousands of Americans in indispensable jobs that serve the community, contribute to the local economy, and cannot be outsourced or meaningfully replaced by any non-local alternatives.

**Government watchdog:** When a region loses local news outlets, the risk of government corruption increases, taxes often go up, and local governments get more careless with borrowing and spending.

**Communicating with constituents:** Tens of millions of Americans rely on local newspapers to learn about their member of Congress’ priorities and work on behalf of constituents, through guest editorials and media coverage of their efforts in Washington.

**Bastion of trust:** In an era permeated by fear, misinformation, and declining trust, local news remains among the media organizations that Americans trust the most.

**AN INDUSTRY IN CRISIS**

Local news outlets were in bad shape before the pandemic hit. They were ravaged by the dramatic shift in ad revenue away from print and digital outlets toward giant tech platforms like Google and Facebook, and by a spree of mergers and acquisitions by private equity and hedge funds. More civic-minded owners are making a pivot to relying on reader support and digital advertising, but that transition can’t happen if the precipitous revenue drop that began this spring causes news outlets to shut their doors forever or pursue mergers just to survive.

**THE GROWTH OF NEWS DESERTS**

More Americans than ever before live in “news deserts,” with little or no access to reliable local news about what is happening in their community:

- More than 2,100 newspapers have disappeared since 2004.4
- Half of all counties in the United States have only one newspaper, and more than 200 counties have no newspapers at all.5
- Newspaper companies cut 45 percent of their newsroom jobs between 2008 and 2017.6
- COVID-19 has made all these challenges even worse—more than 36,000 journalists have been laid off or furloughed this year, eclipsing the numbers even from the worst years of the Great Recession.7

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1. https://niemanreports.org/articles/less-local-news-means-less-democracy/
3. https://knightfoundation.org/articles/local-news-is-more-trusted-than-national-news-but-that-could-change/
NEWS CRISIS
BY THE NUMBERS

0 newspapers printing daily in Wyoming, after the state’s six largest papers suspended several days of print and delivery service to cut costs because of the pandemic

36,000 reporters not working because of furloughs or layoffs since spring

50 newspapers that have closed or merged since April

464 small news organizations that received PPP loans to keep reporters working during the pandemic

4 out of 5 number of newspapers across the US owned by large chains that are ineligible for PPP loans under current PPP criteria

65% of Americans favor directing COVID-19 relief to local news organizations

LOCAL NEWS PRODUCES NATIONAL STORIES

Local reporters break stories that have a national impact every day. Here’s a short list of some of the biggest headlines to come out of a local newsroom in recent years:

**INDIANAPOLIS STAR**

“A blind eye to sex abuse: How USA Gymnastics failed to report cases”
A team of Star reporters exposed decades of sexual abuse carried out by former USA Gymnastics team doctor Larry Nassar, who was eventually sentenced to 40 years in prison.

**MIAMI HERALD**

“Perversion of Justice: Jeffrey Epstein”
A Miami Herald investigative reporter’s dogged pursuit of Epstein revealed shocking allegations spanning decades, and a broken system that had allowed a serial predator to escape justice.

**SIOUX FALLS ARGUS LEADER**

“Smithfield workers asked for safety from COVID-19. Their company offered cash”
A reporter at the Argus-Leader broke the story of an unchecked outbreak of COVID-19 inside a local meatpacking plant, and shook an industry.

**THE BALTIMORE SUN**

“Baltimore Mayor Pugh resigns amid growing children’s book scandal”
Sun reporters exposed shocking self-dealing by Mayor Catherine Pugh that cost taxpayers.

**CHARLESTON GAZETTE-MAIL**

“Drug firms fueled ‘pill mills’ in rural WV”
Coverage of the opioid crisis in small-town West Virginia earned the Gazette-Mail a 2017 Pulitzer Prize.
As the COVID-19 pandemic rages across the country, Americans are feeling the loss of local news in their communities, but it is not too late to reverse this trend. In the next COVID-19 recovery package, Congress must take the lead to save the news. There are a number of substantive, bipartisan approaches Congress needs to consider to achieve this goal:

- **Giving local news access to the Paycheck Protection Program (PPP).** In May, a bipartisan group of senators introduced S.3718, which would expand access to the PPP to local small, local news outlets owned by large businesses, which have previously been blocked from accessing the PPP. These are exactly the kind of small businesses the PPP was created to help, and it’s time to ensure they can all make use of its benefits.

- **Providing tax incentives to help sustain and revitalize local news.** In June, a bipartisan pair of representatives introduced H.R.7640, which would create tax credits aimed at strengthening the viability of the local news sector. The first credit incentivizes the purchase of annual subscriptions to local newspapers, the second is a five-year refundable credit for local newspapers to employ and compensate journalists, and the third is a five-year non-refundable tax credit that encourages businesses to advertise in local newspapers.

- **Exploring alternative funding models and incentives for local ownership to help support local news.** Time-tested examples like the Corporation for Public Broadcasting have long demonstrated the value of providing access to public media, particularly for Americans in underserved and rural communities. Congress should explore the viability of similar models of public support for local news, which could significantly benefit Americans and help keep their communities better connected and informed. This should be joined by efforts to explore the possibility of nonprofit status for local news organizations, and incentivizing large news media companies to sell local papers to local owners.

It’s time for Congress and stakeholders in the media landscape to come together to ensure the passage of a comprehensive relief package that preserves the future of local news. This outcome will strengthen local communities, bolster public health initiatives at a time when they have never been more crucial and support the health of our civic institutions.

**S.3718 Local News and Emergency Information Act of 2020**

S.3718, introduced by Sen. Maria Cantwell [D-WA], would expand access to the Paycheck Protection Program (PPP) for local news outlets that have been excluded.

**H.R.7640 Local Journalism Sustainability Act**

H.R.7640, introduced by Rep. John Boozman [R-AR], would create tax credits aimed at revitalizing local news by incentivizing subscribing to and advertising in local newspapers as well as employing journalists.

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**WHO WE ARE**

The NewsGuild-CWA represents more than 16,000 journalists and other news industry employees in the United States, including approximately 3,000 who have joined in the last two years. NewsGuild members work at hundreds of news outlets—including big publications like the New York Times, small papers like the Pottstown Mercury and digital-only sites like Buzzfeed News. The Guild is a sector of the 600,000-member Communications Workers of America.

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