



Legislation Text

File #: Res 0815-2023, **Version:** *

Res. No. 815

Resolution calling on the United States Congress to pass, and the President to sign, H.R. 4756-118th Congress, known as the Community News and Small Business Support Act.

By Council Members Menin and Gutiérrez

Whereas, Small businesses and local newspapers continue to suffer from the adverse economic effects caused by the pandemic; and

Whereas, In a 2022 survey of small businesses, the Small Business Majority found that roughly one in three businesses indicated that without additional financial support or a change in business conditions they would struggle to survive beyond three months; and

Whereas, Over the past 25 years, the small business sector has contributed two for every three jobs created in the U.S. workforce; and

Whereas, Threats to the sustainability of small businesses negatively affects not only the economy of New York City, but of the nation; and

Whereas, The pandemic also resulted in local newspapers shutting down; and

Whereas, However, local newspapers have been significantly struggling over the past 20 years, with annual newspaper advertising revenue dropping almost 81 percent between 2000 and 2020; and

Whereas, Research on the collapse of the local news industry has linked the decline in local news coverage with reductions in voter turnout; and

Whereas, Indicating that robust local news coverage is beneficial for citizen engagement; and

Whereas, Local newspapers garner significant revenue from advertisements placed in their papers; and

Whereas, Small businesses can reach a wider consumer base and grow their business by advertising in

their local papers; and

Whereas, These two sectors overlap in the pursuit of revenue through the use of advertisements; and

Whereas, H.R. 4756, also known as the Community News and Small Business Support Act, introduced by U.S. House Representative Claudia Tenney (R-NY) and pending in the U.S. House of Representatives, seeks to amend the Internal Revenue Code, in relation to providing tax incentives that support local media; and

Whereas, H.R. 4756 would offer payroll tax credits to local and community news publishers that serve the needs of a regional or local community and employ at least one local news journalist who resides in the same community; and

Whereas, H.R. 4756 would also offer tax credits for small businesses that place advertisements in local news outlets; and

Whereas, H.R. 4756 would begin to address the collapse of the local news landscape and mitigate the significant repercussions that can occur without local news coverage and ease some financial strain on small businesses; and

Whereas, The Community News and Small Business Support Act would benefit local newspapers and local journalists, and provide much needed support for small businesses in New York City and across the United States; now, therefore, be it

Resolved, That the Council of the City of New York calls on the United States Congress to pass and the President to sign, H.R. 4756-118th Congress, known as the Community News and Small Business Support Act.

LS #14124
08/31/2023
RLB