

April 9, 2025

Chair Kayse Jama
Committee on Rules
Oregon Senate
900 Court St. NE
Salem, OR 97301

Re: SB 686 – Oregon Journalism Protection Act

Dear Chair Jama and Committee Members.

I write to you today in my capacity as the Senior Director for Journalism and Civic Information at Free Press Action. Since 2003, Free Press Action has worked with federal policymakers, state lawmakers, and community leaders to strengthen our media system and democracy through policy change, with a core emphasis on supporting local news and informed communities.

We led the organizing push behind the New Jersey Civic Information Consortium (a first-of-its-kind public grantmaking body to support local news), supported the enactment of the California Local News Fellowship program, and recently launched “[Local News for the People: A Policy Agenda for Meeting Civic-Information Needs](#),” which has been endorsed by more than 60 leaders and organizations in the journalism and democracy spheres. I am also a co-author of “[The Roadmap for Local News](#),” a year-long research and field-engagement effort that informed the creation of Press Forward, a national coalition of philanthropic organizations committed to investing more than \$500 million to strengthen local news.

Free Press Action has roughly 5,000 constituents in Oregon, and we understand the urgency to address the news and information crisis affecting all residents in the state. We believe that policy change can be a critical lever to ensure that we have a media system that serves the public interest and the health of our democracy. But we cannot allow the urgency of this moment to push us towards interventions that could entrench the structural problems plaguing our media system at present. That’s why we’re urging the lawmakers of this committee to reject the Oregon Journalism Protection Act (SB 686) as currently written, and instead pursue a policy framework that prioritizes community information needs and the independent outlets best equipped to address them.

We do not make this recommendation lightly. Local media workers are in desperate need of support, small local newsrooms are struggling mightily with economic viability, and communities are being left in the dark about what’s happening in their schools, their neighborhoods, and the halls of power. And yet too many policy solutions merely channel money toward already profitable — and often conglomerate-owned — media outlets, and not to independent, community based outlets dedicated to providing the civic news and information communities need. We worked

closely with Sen. Pham on this bill even as we raised our concerns about this approach, because we believe that lawmakers are genuine in their concern for addressing the loss of local news.

In its current form, however, SB 686 would divert millions into the pocket of corporate media giants (like Sinclair, Gannett, and Nexstar), marginalize smaller community publishers, and incentivize tech platforms to block local news content entirely. What's more, the legislation does little to demonstrate how the bulk of these funds would go toward serving the public interest, and faces significant legal hurdles that could slow or outright kill implementation.

As one of the founders of the New Jersey Civic Information Consortium, which SB 686 is modeled in part after, we applaud lawmakers for promoting new forms of public grantmaking. However, the overall structure of SB 686 is poised to do more harm than good. We urge lawmakers to pursue different paths forward and embrace approaches that put the needs of the public ahead of corporate interests.

I. Diagnosing the Problems Afflicting Local News

The University of Oregon's Agora Journalism Center published an [updated report this month on the state's local news and information ecosystem](#). The findings mirror many of the trends afflicting local journalism across the country – growing dominance of corporate chains and national owners; shrinking production of public affairs reporting; and inadequate resources for smaller community outlets working to plug the gaps left behind by consolidation and closures.

Perhaps most concerningly, nearly 30 percent of Oregon's newspapers were sold to out-of-state owners in 2024, meaning that nearly half of Oregon's remaining newspapers are now run by national media conglomerates. As the report notes, "research in other settings suggests that these sales may further reduce the amount, depth, and diversity of local news in communities around the state." Its authors also rightly point out that "the decline in local news in Oregon should be thought of not only in terms of closures, sales, and mergers of outlets, but also the increasingly thin product provided by many that remain."

On the positive side, researchers found that: "journalists, former journalists, and civic-minded people around Oregon are stepping up to fill news and information gaps in their communities by starting hyper-local news outlets, often non-profit and/or digital-only. [These] small operations tightly focused on local communities, many of them non-profits, show promise of gaining sustainable local support and cultivating trust." But philanthropic support and meager advertising revenues aren't enough to bolster this emerging field on its own.

These findings point to a structural imbalance. Large profitable corporate entities are expanding their grasp over the local news market, while independent community newsrooms, small publishers, nonprofits, and ethnic media outlets – the outlets closest to their communities and best equipped to meet their needs – are left to struggle over a meager pool of resources.

Legislation should seek to correct this imbalance and chart a more sustainable future for our media system. But under SB 686, the bulk of revenues would go towards corporate chains and

broadcasters, with smaller publishers and start-ups receiving the leftovers. As we outline below, this is just one of the existential issues afflicting the bill.

II. Outcomes and Obstacles Facing SB 686

Because 90 percent of the funding under SB 686 is set to be allocated to newsrooms based on headcount, and because eligibility is so broadly defined, it is likely that the largest corporate media entities will emerge as the biggest collective winners.

Some of the most sizable broadcasters in the state are owned by the likes of Sinclair Broadcast Group (KATU, KVAL, and KTVL, among others) and Nexstar Media Group (KOIN). In the newspaper world, some of the biggest outlets fall under the umbrella of the Advance-News media empire (*The Oregonian*), Gannett (*The Register Guard* and *The Statesman Journal*), Lee Enterprises (*The Corvallis Gazette Times* and *The Albany Democrat-Herald*), and Carpenter Media Group (dozens of papers across the state) – all out-of-state entities. Oregon Public Broadcasting could very well be one of the biggest individual beneficiaries, and we agree that state policymakers should be finding more ways to support public broadcasting at a time when it faces threats at the federal level.

That said, it is clear that the national corporate-media sector will collectively reap the most benefits from SB 686, with profitable corporate newspaper chains and commercial broadcasters rising to the top. Meanwhile, by nature of the formulaic allocation plan, smaller community publishers and independent newsrooms will receive a far smaller slice of the pie.

Compounding matters is the fact that SB 686 creates a proven incentive for tech platforms to stop showing local news entirely. When lawmakers in Canada advanced a similar bill, Meta blocked news on all its platforms, resulting in [significant harm to smaller publishers](#) with tight margins. In California, a similar bill prompted both [Meta](#) and [Google](#) to threaten the blocking or restriction of news links on their platforms. Wealthy broadcasters and corporate-owned chains might be able to weather this loss to an extent, but it would be a devastating blow to many local community outlets and promising start-ups who rely on these platforms for a large share of their audience traffic.

The net effect: If lawmakers were to pass SB 686, they could very well end up entrenching a top-heavy, corporate-dominated media hierarchy that isn't serving Oregon's communities or our democracy.

SB 686 faces major questions on the legal front, too. The legislation is billed as a quick infusion of support for ailing local media, but it seems highly likely to get caught up in court, if not killed entirely in the judicial review process. The OJPA's arbitration model was flagged by [legal experts at UCLA](#) as being one of the most legally dubious out of all the options available to lawmakers when it comes to extracting revenue from tech platforms, due to both First Amendment and Commerce Clause concerns.

III. A Different Path Forward

Despite the significant flaws facing SB 686, the core motives of the bill's authors are sound: Distribute financial support to local journalism by diverting a sliver of Big Tech platforms' windfall revenues. Both aspects can and should be acted upon through a different set of mechanisms.

One starting place, in fact, can be found in SB 686. Under the current legislation, 10 percent of funding would be used to establish and support an Oregon Civic Information Consortium (CIC). The CIC would be governed by an independent board of community and media stakeholders, and it would distribute grants to outlets across the state on the basis of the most pressing community information needs. Another core focus would be to nourish emerging community media sectors, laying the groundwork for a sustainable media system.

Free Press Action helped conceive of and ran the campaign to create the New Jersey Civic Information Consortium, of which I am a board member. This model has proven to be successful in supporting a variety of projects across the state, and lawmakers here are right to examine how such a model can be adopted to meet the information needs of Oregonians.

The creation of the CIC would be a welcome step forward – but for the 90 percent of revenue in this bill that would be broadly allocated to newsrooms based on headcount, only 10 percent is set aside for a strategic grantmaking body focused on areas of public need. As lawmakers explore different paths forward, we encourage them to make the CIC model a focal point of funding distribution, rather than an afterthought. In just a few years, the original CIC in New Jersey has made a [substantial impact](#) on the state's civic information landscape. A better-funded version in Oregon would be a historic investment towards a true community-rooted media system.

If funding is to be allocated based on newsroom headcount, then lawmakers should scale up benefits for smaller outlets and implement a cap on how much revenue any one outlet can pull in. Otherwise, the largest corporate entities will siphon up a huge chunk of available funding.

On the revenue generation side, there are a number of pathways for lawmakers to explore. Legal experts at UCLA [recently conducted a full analysis of policy options](#) to extract revenue from Big Tech, sketching out the pros and cons of each. Among the many methods surveyed, authors evaluated a general advertising tax as being the cleanest, from both a legal and economic efficiency perspective. This approach could be tailored so that news media are excluded from any tax, while focusing on only the wealthiest corporations, a list that includes technology platforms like Meta and Google.

The collective bargaining model adopted by SB 686, meanwhile, was assessed as being likely to raise “numerous legal obstacles” while delivering less economic efficiency.

	Legal Analysis			Economic Considerations	
	First Amendment Challenge	ITFA Challenge	Commerce Clause Challenge	Efficiency	Revenue Potential
Advert tax	Unlikely	Unlikely	Unlikely	✓✓	✓
Barter tax (if advertising used)	Likely	Likely	Unlikely	✓✓	✓
Digital Services tax	Unlikely	Likely	Likely	✗	✓✓
Digital Sales tax	Unlikely	Unlikely	Unlikely	✗	✓✓
Digital Mining Tax/User Fees	Likely	Likely	Unlikely	✓✓	✓
Collective bargaining	Likely	Unlikely	Likely	✓	?

**Efficiency here is defined as economic efficiency – proximity of the option’s solution to the socially optimal outcome where all market failures such as externalities, public goods provision, etc. are corrected. Revenue potential describes the estimated size of funds that could be generated to tackle associated market failures.*

Credit: Alessia Zornetta and Thomas Ash, UCLA Institute for Technology, Law & Policy (2024)

Finally, no matter how lawmakers proceed, a top priority should be to engage with community members and leaders outside of the media world. Local journalism isn’t just an industry – it’s a public good, one that poses all sorts of potential benefits for our civic and democratic health. As such, the public should have a say in discussions about the future of our local media system. This is particularly important for the communities that have long been underserved by the media: rural communities, low-income communities, communities of color, and non-English speaking communities. Their experiences and needs – and those of the outlets best equipped to serve them – should be a guiding light in crafting local news policy.

As local news policy debates ramp up across the country, lawmakers in other states will look to Oregon today as inspiration for their efforts tomorrow. It’s vital that lawmakers seeking to support local media and informed communities put the needs of the public and those doing public-interest journalism first.

Free Press Action deeply appreciates lawmakers’ leadership in supporting local news and we hope to continue to engage in further discussions on this issue. However, SB 686 is an approach fraught with challenges and could lead to unintended consequences, entrenching the power of national media conglomerates in the state, all at the expense of constituents. There are more viable paths forward. We urge lawmakers to halt SB 686 in its current form and take an approach that puts the new and information needs of Oregonians front and center.

Sincerely,

Mike Rispoli,
 Senior Director, Journalism and Civic Information
 Free Press Action