

## HB 2605 STAFF MEASURE SUMMARY

### House Committee On Rules

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**Prepared By:** Melissa Leoni, LPRO Analyst

**Sub-Referral To:** Joint Committee On Tax Expenditures

**Meeting Dates:** 2/9

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#### **WHAT THE MEASURE DOES:**

Creates tax credit for contributions to publisher of local journalistic publication. Defines local journalistic publication as print, broadcast, or digital publication either published by nonprofit news organization or that serves regional or local community, contains certain news and current events coverage, and employs certain number of persons other than independent contractors. Establishes gross income limit, limits credit to taxpayer's tax liability, and allows credit to be carried forward for three tax years. Makes tax credit applicable to tax years beginning on or after January 1, 2024 and before January 1, 2028. Directs Department of Administrative Services to issue one-time grants to University of Oregon Agora Journalism Center and Fund for Oregon Rural Journalism to support Oregonians' local news and information needs. Appropriates unspecified amount of General Fund to grant recipients.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

No amendment.

##### **BACKGROUND:**

ORS Chapter 315 describes the income or excise tax credits created by the Legislative Assembly and establishes the general framework for Oregon tax credits, including the relationship to federal tax law or the Internal Revenue Code. ORS 315.037 (3) specifies that any new tax expenditure enacted by the Legislative Assembly applies for a maximum of six tax years beginning with the initial tax year for which the tax expenditure is applicable, unless the Legislative Assembly expressly provides for another period of applicability.

The Agora Journalism Center, a program of the University of Oregon's School of Journalism and Communication, was created in 2014 with the stated foundational belief that the health of democracy and journalism are linked. The Center is now focused on strengthening the local information landscape through fostering and nurturing community-centered journalism.

The Fund for Oregon Rural Journalism is a nonprofit led by journalism professionals that is committed to preserving professional journalism in rural Oregon. It offers training and support to rural news organizations.

House Bill 2605 creates a tax credit for contributions to a publisher of a local journalistic publication for tax years 2024 to 2027, and directs the Department of Administrative Services to issue one-time grants to the University of Oregon Agora Journalism Center and Fund for Oregon Rural Journalism to support Oregonians' local news and information needs.