

SB 686 A STAFF MEASURE SUMMARY**Carrier:** Sen. Pham**Senate Committee On Rules****Action Date:** 05/05/25**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 3-2-0-0**Yeas:** 3 - Golden, Jama, Manning Jr**Nays:** 2 - Bonham, Thatcher**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Leslie Porter, LPRO Analyst**Meeting Dates:** 4/9, 4/23, 5/5**WHAT THE MEASURE DOES:**

The measure requires, for use of digital journalism providers' content, certain online platforms (covered platforms) to compensate digital journalism providers in one of two ways: either pay a dollar amount annually, based on the number of worldwide monthly active users, or enter into a final arbitration process to determine the percentage of advertising revenue to be paid. It establishes that a digital journalism provider may request compensation from the annual payment amount or a grant through the Oregon Civic Information Consortium (OCIC), but not both. It establishes the final arbitration process. It also establishes the OCIC and its Board of Directors.

Detailed Summary**Digital Journalism Provider compensation**

- Requires \$104 million to be paid annually by a covered platform with six billion or more worldwide monthly active users.
- Requires \$18 million to be paid annually by a covered platform with fewer than six billion worldwide monthly active users.
- Requires the dollar amounts of the annual payments to be adjusted for inflation, according to the Consumer Price Index for All Urban Consumers, West Region.
- Requires that, of the annual payments paid by covered platforms
 - 10 percent be allocated to the OCIC, and
 - 90 percent be allocated to the digital service providers.
- Requires that digital journalism providers spend at least 70 percent of funds received on news journalists and support staff, except providers with five or fewer employees must only spend at least 50 percent.
- Prohibits a digital journalism provider from being denied compensation on the basis that it publishes or provides content, in part or in whole, in a language other than English.

OCIC

- Creates OCIC to support Oregon news content providers, journalism, news, public information projects, and public interest initiatives that address civic information needs by providing grants from the proceeds generated pursuant to the annual payments or through the arbitration process.
- Allows the OCIC to set criteria for making grants, and establishes the requirements for projects receiving those grants.
- Establishes that OCIC shall be housed at the University of Oregon.
- Establishes a 13-member Board of Directors that is Governor-appointed and Senate-confirmed, and provides that the Board may appoint and employ an Executive Director to oversee OCIC operations.

Other Provisions

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- Requires covered platforms to compile and post a list of online journalism providers that were accessed during the preceding 12 months, and provide that list to digital journalism platforms, upon request.
- Requires online platforms to report annually certain information about compensation paid to digital journalism providers.

ISSUES DISCUSSED:

- Provisions of the measure and the origin of the concept
- Whether the measure is constitutional
- The reason the language prohibiting retaliation was removed
- Potential unintended consequences of the measure
- The New Jersey Civic Information Consortium
- Anti-trust cases against Google and Meta, and Google's business model
- Canada's related law, California's similar legislation, and their respective settlements with Google
- The difficulty of finding accurate information on the internet, and the local news crisis
- Any potential nexus with internet, radio, and television

EFFECT OF AMENDMENT:

The amendment replaces the measure. It requires, for the use of digital journalism providers' content, covered platforms to compensate digital journalism providers in one of two ways: either pay digital journalism providers a dollar amount annually, based on the number of worldwide monthly active users, or enter into a final arbitration process to determine the percentage of advertising revenue to be paid. It changes the mission and membership of the Oregon Civic Information Consortium (OCIC) Board of Directors. It establishes that a digital journalism provider may request compensation from the annual payment amount or a grant through the OCIC, but not both.

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Digital Journalism Provider compensation

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Other Provisions

- Changes definition of "covered platform."
- Adds a definition for "freelancer."
- Add a definition for "editorial content."
- Edits the definition of "qualifying publication."
 - Removes language concerning what this does not include.
 - Raises the threshold for the percentage of editorial content required to meet the definition, from 25 percent to 51 percent.

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- Removes the clause prohibiting covered platforms from retaliating against digital journalism providers.
- Makes changes to the final arbitration process.

BACKGROUND:

At the federal level, in 2022, the [Journalism and Preservation Act of 2022](#) (S.673) attempted to set a process through which certain broadcast or digital news providers may collectively negotiate with covered online platforms regarding use of the news providers' content by the platforms. While the bill was passed out of two committees, it was placed on the Senate Calendar, and a vote was not taken.

At the state level, in 2024, the California Journalism Preservation Act (AB 886) attempted to establish two mechanisms through which digital journalism providers could obtain compensation from large online platforms for the value that the platforms derive from accessing the digital journalism providers' websites and other digital services. While the bill passed the Assembly, it was in a Senate Committee upon adjournment sine die.

New Jersey has the first in the nation [Civic Information Consortium](#), with a mission to provide financial resources to support and grow trustworthy, community-based news and information sources throughout the state. It was established in 2018 and is an independent, 501c(3) nonprofit organization. According to the Consortium, it reimagines how public funding can be used to address the growing problem of news deserts, misinformation, and how to support more informed communities. Its website states that to date, more than \$7.5 million has been awarded in more than 80 grants to over 50 organizations in 16 of the state's 21 counties. It brings together the six universities to address the lack of access to local news and information. It is eligible for state funding and can also obtain private funds. It has a 16-member Board of Directors.