



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

Dear Chair Jama and Rules Committee members –

I write to you today on behalf of Local Independent Online News (LION) Publishers, a nonprofit 501(c)(3) membership association. LION's mission is to strengthen the local news industry by helping independent news publishers build more sustainable businesses that can pay a living wage, recruit and retain talent, and grow their reach, revenue, and impact. We have over 500 members in the United States and Canada, including in Philomath, Newberg, Portland and – soon – in Eugene, Oregon.

Local independent publishing is one of the bright spots in an otherwise struggling news media industry. While we are grateful that local news has drawn the attention of well-meaning legislators, we believe that SB 686 does not do enough to help local independent publishing in Oregon – the part of the industry most in need of support. In truth, we see the majority of the \$122 million going to legacy media and very little being directed to independent publishers. Some of the biggest flaws that actively cause harm to these publishers include the following:

Revenue requirement

The \$100,000 annual revenue threshold requirement to qualify for funds means many small independent publishers who would benefit most from the financial support needed to become a sustainable business are left out of this bill.

Codifies a funding distribution formula that is weighted toward legacy media

The bill calls for a headcount-based funding distribution formula without a per-outlet cap on funds. Most of Oregon's newspapers have [out-of-state owners](#), meaning the beneficiaries of this legislation are outside the state. This type of formula rewards newsroom size and staffing levels, incentivizing quantity of journalism content over quality. This is particularly detrimental to more rural newsrooms who have less staffing capabilities, but have equally as important needs as larger newsrooms.

Contains a high risk of platform retaliation

Local online publishers rely heavily on platforms like Google and Meta to drive traffic to their sites and help more people discover their work. Google ran a test that [shut off link traffic](#) in California when legislation like this was proposed, and Meta still [does not allow](#) news links on their sites in Canada because of laws like this. Our Canadian members have shared with us at our recent

conference how they're struggling trying to cope with losing access to Meta platforms as a means of distributing news and reaching audiences – upending their business models and making it extremely difficult to survive. Risks of retaliation are high, and very concerning to the sustainability of our member businesses.

Our members are future-forward publications, and news is shared on social media platforms whether we like it or not. Losing access to them as a viable transmission source would be devastating.

Contains an unrealistic legal remedy for independent publishers

The legal remedy for platform retaliation written into the bill is unrealistic for small publishers. While the bill prohibits Google or Meta from retaliating against news outlets (e.g., by removing news links), enforcement would depend on small publishers pursuing costly litigation, which is a remedy that few, if any, could realistically afford, and by the time the litigation resolves they could very well be out of business.

Keeps independent publishers away from funding governance

While we think that establishing the Oregon Civic Information Consortium is a good thing, we are disappointed to see that there is no board of directors position specifically designated for independent publishers. To ensure that the consortium is impartial toward a fledgling legacy industry, it is crucial to have at least one board seat be occupied by independent publishers similar to LION members.

It is no secret that the landscape for local news in Oregon is in need of support to help it survive and thrive. As threats to our democracy and the First Amendment happen on a daily basis in the United States, the Fourth Estate is more important than ever.

We believe this bill is well-intentioned, and seeks to remedy a desperately needed fix in the way journalism is funded in Oregon. However, we ask that the Committee weigh these concerns heavily. We believe this bill as written poses a threat to the future of many local independent news publishers in Oregon, in the name of helping local news.

Thank you,



Chuck Corra
Associate Director, Policy & Advocacy
LION Publishers

