

Senator Khanh Pham – SB 686 Public Hearing Opening Testimony
Senate Committee on Rules– April 9, 2025

Chair Jama, Vice Chair Bonham, and Members of the Committee—



SB 686: Oregon Journalism Protection Act

Ensuring Mega-Platforms Pay a Fair Share of Profits to Oregon Newsmakers

LOCAL NEWSPAPER CLOSING

Goodbye and Thank You

NEWS 5 abc

Newspaper shuts down after 100 years of serving community

Watch >

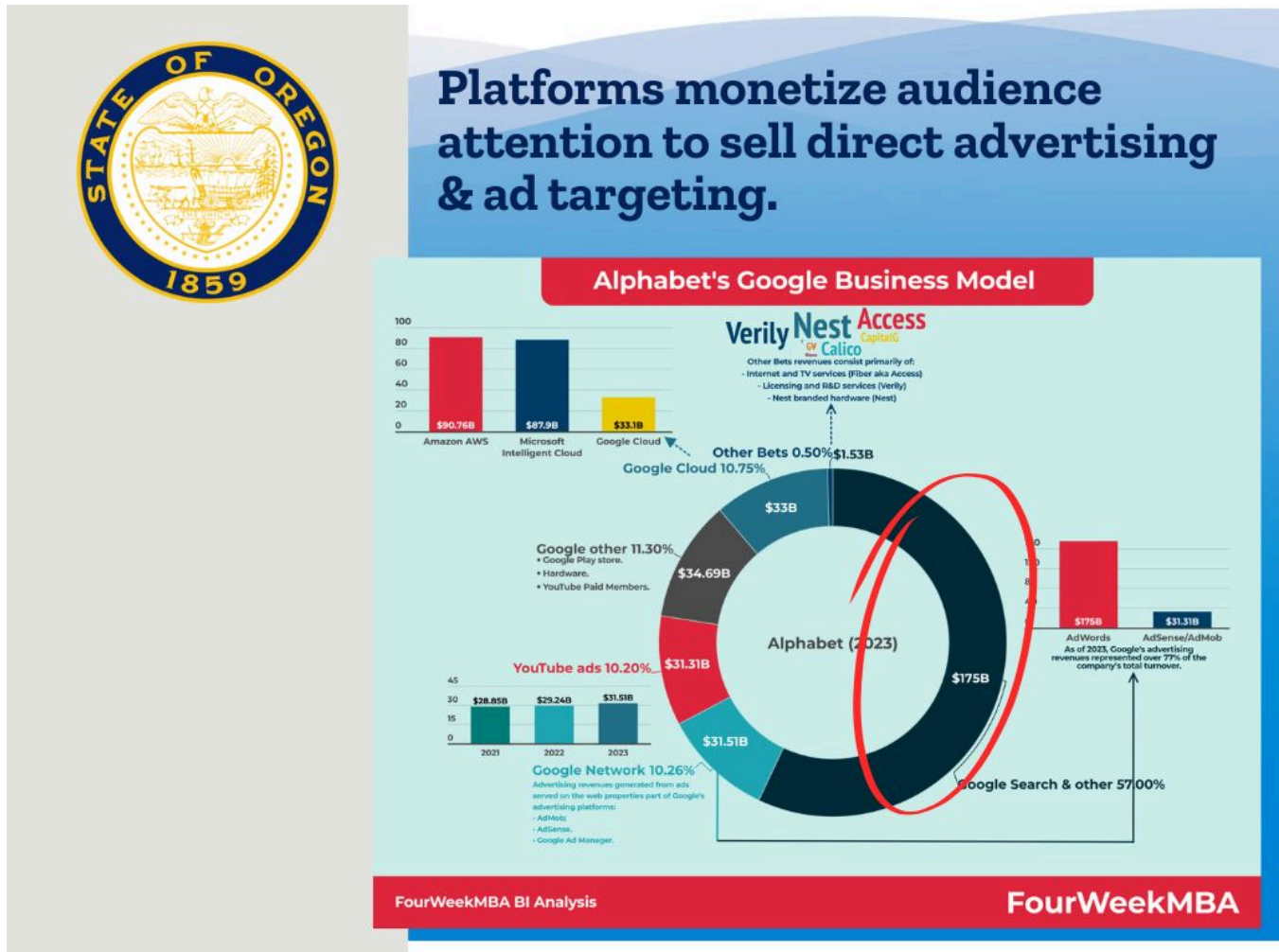
For the record, my name is Khanh Pham, and I represent Senate District 23 in Northeast and Southeast Portland. Thank you for the opportunity to introduce Senate Bill 686, the *Oregon Journalism Protection Act*.

I started working on this concept with HB 2605 in 2022, which was a study bill that was not funded. So we did our own study, because over the last three years, our local news crisis has only gotten worse, with many more Oregon journalists losing their jobs. When newsrooms close, Oregonians lose.

So I filed a base bill that combined the best policy models I found - the California Journalism Preservation Act, and the New Jersey Civic Consortium. We've spent the last 9 months marrying the best elements of each of those models – conferring with experts from California, Canada, and across

Oregon – to create a lasting solution for Oregon’s local news crisis that will protect journalism jobs, spur start ups in news deserts, and better inform Oregonians.

SB 686 -2 is a plan for Oregon news organizations of every size, from one-person news sites in rural areas, to culturally-specific content for BIPOC audiences, to large multi-city news organizations employing hundreds.



Local news is disappearing. One major reason: mega-platforms like Google and Meta have taken over the ad revenue that used to fund it.

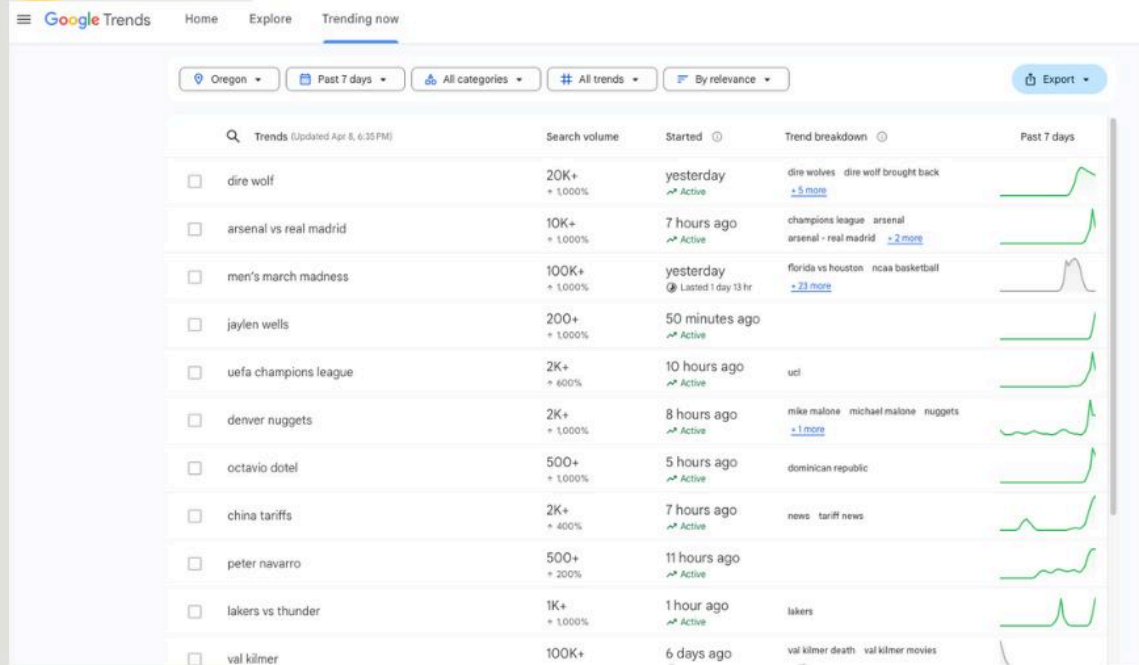
So how does Google make money anyway?

Here is a publicly available breakdown of the business model. The lion's share of the revenue comes from Google Search & other.

How does that work?



Oregonians Turn To Google Search for Local News & Get Local News Results.



Let's go to Google trends and see what Oregonians are searching for: Sports, News topics, Current events.

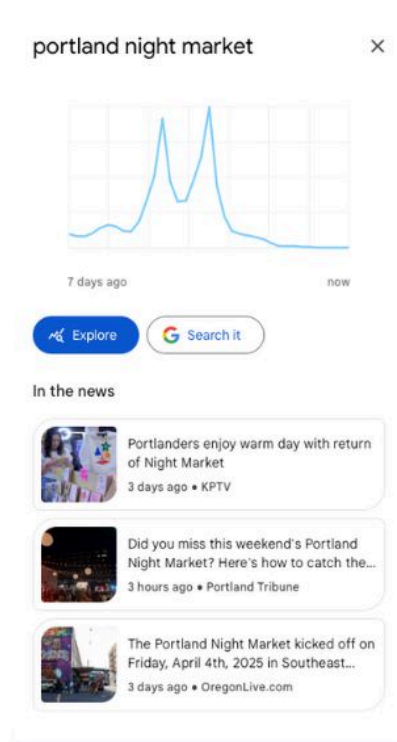
As you can see in these trends, news and search are a mutually beneficial relationship. Search creates value for news. News creates value for search.

But only one party really sees the profit from this mutual benefit relationship - and that is the monopoly platform.

For the record, last year, U.S. District Judge Amit Mehta ruled that [Google had violated antitrust law](#), pointing out that Google Search "*has no true competitor.*" Meta now faces a similar antitrust case brought by the FTC.



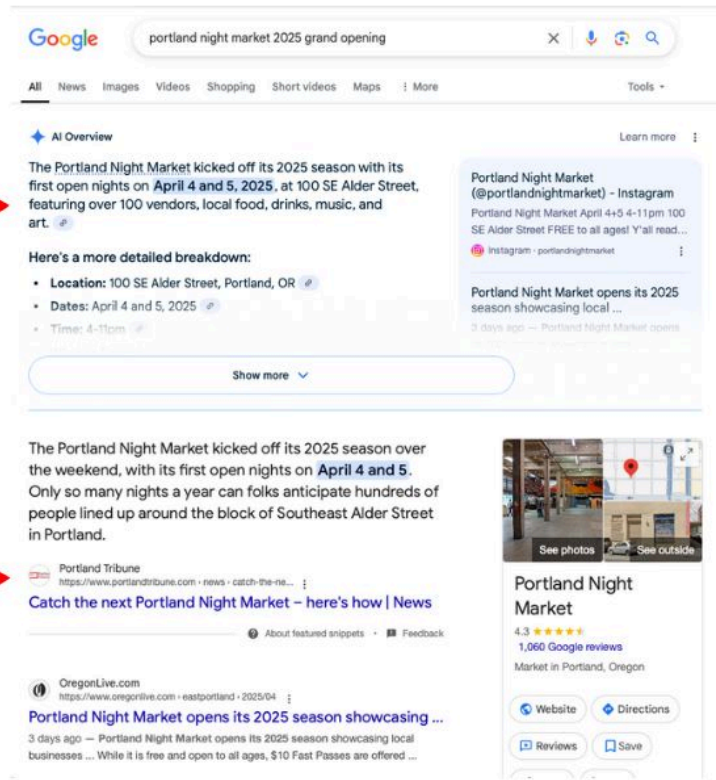
Oregonians Turn To Google Search for Local News & Get Local News Results.



Let's drill in further on an example for search in Oregon. Many Portlanders were searching for information about the grand opening of the Portland Night Market over the weekend.



AI search engines send 96% less referral traffic to news sites than traditional Google search



It used to be that when you searched on google, you saw 10 blue links that drove click-thru to news sites. But today, platforms are designed to keep users on the platforms, NOT clicking through.

As you can see here at the top, with AI this is accelerated. A new study confirms that AI search engines send 96% less referral traffic to news sites than traditional Google search.¹

As with any product, the output of AI is only as good as the input. So who is putting in that input? We see here it is Alison Barr, at the Oregonian, and Hannah Seibold at the Portland Tribune.

Here we can see clearly how news content creates value for Google.

How much value?

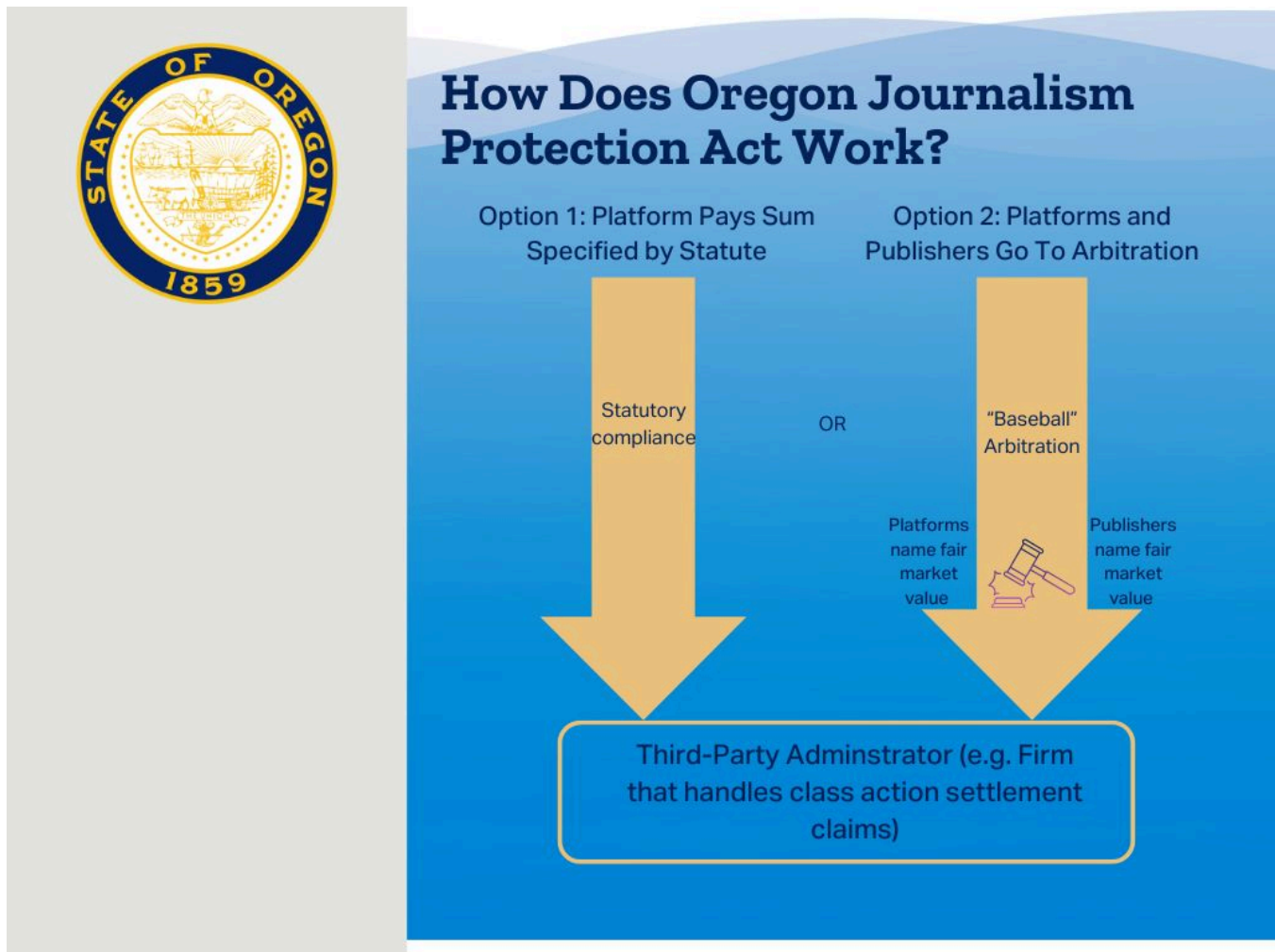
We will be hearing more about that from Economist Haaris Mateen today, who produced a landmark study valuing news content on the mega platforms at \$12.9 billion per year in the USA.² He has used

¹ <https://www.forbes.com/sites/rashishrivastava/2025/03/03/openai-perplexity-ai-search-traffic-report/>

² Paying for News: What Google and Meta Owe U.S. Publishers

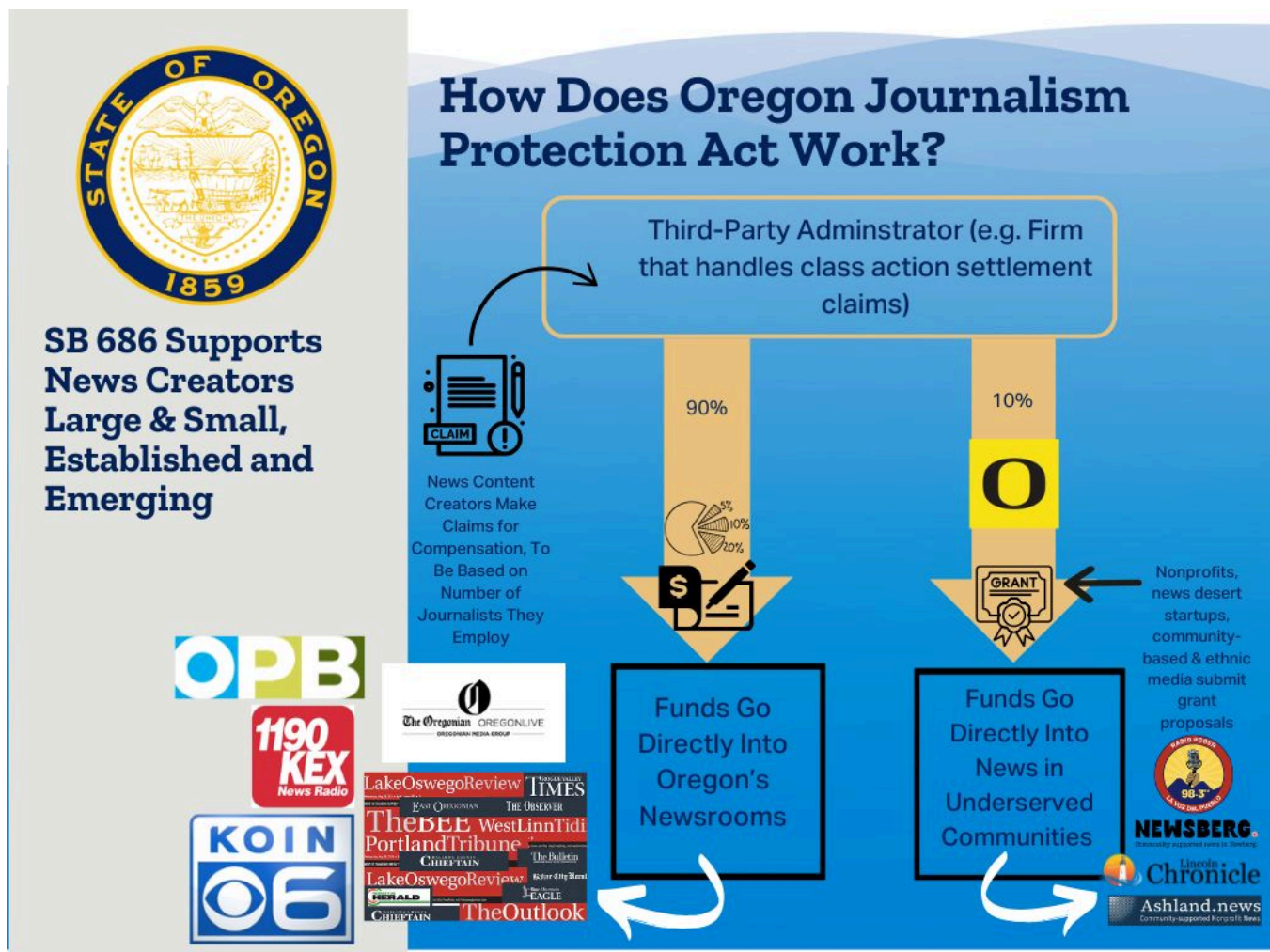
https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4704237

that same methodology to calculate what that value would be in Oregon, which is reflected in the -2 as \$122 million per year.³



SB 686-2 is about a returning a fair share of value to newsrooms. Covered platforms have two paths to comply:

- Pay a defined fee based on their value from Oregon news, or
- Enter final-offer arbitration, where each side presents a fair offer and a neutral party chooses one.



Then, the total damages amount goes to a third party administrator. This is key because in Canada platforms select their own manner of distribution, and we've heard from news organizations there that this has resulted in a slower and less transparent process.

90% of the compliance fund goes to support existing publishers in Oregon to support newsrooms and to incentivize hiring more journalists. Claim share will be based on headcount, not clicks. This is about keeping journalism jobs in Oregon.

The largest newsrooms by headcount in our state are OPB - our public media - and The Oregonian - a 100 year old family company, so they would likely have the largest claims in the pool.

10% of the compliance funds - or \$12.2 million - goes to a non profit consortium to directly fund journalism in news deserts and underserved communities. This is the largest infusion of funds in this niche sector ever, as we understand it. This is the *most progressive* in terms of supporting rural and niche publications and the ethnic media of any policy like this, anywhere in the world. This fund is to repair the harms that have already been done to our civic life, and grow local journalism back from the brink.

News organizations of any size may choose claims or grants, depending on their own needs and situation. We believe this offers the most flexible and adaptable way to meet the needs of every news organization in Oregon, and support new ventures too.

The slide features a large blue header with the word "Questions?" in white. To the left is the official seal of the State of Oregon, which includes the text "STATE OF OREGON" and "1859". Below the header is a white rectangular area containing a collage of logos for various organizations. These logos include: University of Oregon School of Journalism and Communication, Indivisible Oregon, ONPA (Oregon Newspaper Publishers Association), OPB, PNW Newspaper Guild, OPI (Oregon Public Information Partnership), FORJ (Fund for Oregon Rural Journalism), SAG-AFTRA, Oregon Association of Broadcasters, America's Newspapers, Society of Professional Journalists, REBUILD LOCAL NEWS, and NEWS MEDIA ALLIANCE. At the bottom of the slide, a blue banner contains the text: "Senator Khanh Pham | www.oregonlegislature.gov/pham | @senkhanhpham".

An important note: after consulting with the platforms the *anti-retaliation clause* in the base bill that was part of the California legislation, is removed in the -2.

We've got a great, diverse group of experts and working journalists here today to talk about the what this bill would mean for their community and the process we went through to get here. This final SB 686-2 a model bill we can all be proud of to protect our local journalism and our communities. Thank you and I look forward to your questions.