

REBUILD LOCAL NEWS

Senate Committee on Rules
Honorable Chair Kayse Jama
Honorable Vice-Chair Daniel Bonham
Honorable Member Jeff Golden
Honorable Member James Manning Jr.
Honorable Member Kim Thatcher

Oregon State Legislature
900 Court St. NE
Salem, OR 97301

April 11, 2025

Dear Chair Jama and fellow Committee Members,

My name is Matt Pearce, and I'm a senior policy advisor to Rebuild Local News. We support Senate Bill 686.

Rebuild Local News is the leading nonpartisan, nonprofit coalition developing and advancing effective public policies designed to strengthen community news and information. Our broad-based organization brings together the largest alliance of local publishers and labor unions, civic organizations and newsrooms representing both rural and urban communities. Together, these 50 organizations represent over 3,000 newsrooms and 15,000 journalists working together to revive local news. We work on many bills and different policy frameworks across the U.S. that address similar goals as Senate Bill 686.

We like SB 686's spending structure. The amended bill will give 90% of the revenues to Oregon's print, digital and broadcast newsrooms (both nonprofit and commercial) based on their journalism jobs, as opposed to number of links or page views. We have always preferred this approach. Publishers with fewer than five employees would get credit for their use of freelancers.

The largest newsroom to benefit from this bill is likely to be a nonprofit: Oregon Public Broadcasting. Additionally, while many newspapers that employ Oregon journalists are owned by commercial chains, including some owned out-of-state – like the state's flagship paper, the Oregonian (owned by Advance Publications) – we have yet to ascertain what, if any, hedge fund is active in Oregon newspaper ownership. Furthermore, this bill includes provisions that assure that benefits won't accrue to news outlets that don't produce journalism for Oregon communities.

The other 10% of the funds would be set aside to create a New Jersey-style Civic Information Consortium, housed at the University of Oregon, with a mandate to prioritize grants for small community publishers less likely to benefit from payroll support. The program can take on tasks that a formula-based program can't: supporting startups, targeting news deserts, or even making whole Google News Initiative grantees if Google retaliates by withdrawing program funding as a result of the legislative action.

The risks of this bill's approach are well known. This is a confrontational and risky antitrust framework that has not yet been tested by U.S. courts. Meta has threatened to ban journalism from its services in Oregon if this bill passes in its current form.

But the bottom line is that "bargaining code" approaches elsewhere in the world have resulted in news organizations in Australia and Canada getting real financial support. Most importantly, we weigh the uncertainty of the risks against the devastatingly certain costs of inaction.

The collapse of Oregon's newspaper sector – still the state's largest source of news – has been especially dire by national standards. Oregon lost 71% of its local newspaper employees between 2017 and 2022, compared to the 44% staff lost by U.S. newspapers, according to [data](#) collected by Oregon Public Broadcasting.

Since 2022, nearly 20 local news outlets in Oregon – including around 13% of Oregon's newspapers – have closed or have been merged with other outlets, according to a forthcoming report by the University of Oregon Agora Journalism Center.

When surveyed about what kind of support Oregon newsrooms need, a survey of 70 journalists across the state by the Agora Journalism Center, predominantly from small newsrooms, showed overwhelming demand for hiring extra staff above all other forms of support. That's what SB 686 aims to do.

Local affiliates of two of our coalition partners, Oregon Society of Professional Journalists and Pacific Northwest Newspaper Guild, which represent many working journalists in Oregon, have submitted positions of strong support for SB 686 and its provisions to support local journalism jobs. Another of our coalition partners, LION Publishers, which represents several independent news outlets in Oregon, has submitted a neutral position with some concerns about the treatment of small publishers. Although our coalition includes a broad range of stakeholders in local news, different groups have different emphases on public policy.

That's why we will work with Senator Pham's office to further strengthen the bill and push for its passage.

Matt Pearce, Senior Policy Advisor, Rebuild Local News