



Senator Khanh Pham, Testimony re: SB 686 - 3
Senate Rules
April 23, 2025

Good afternoon Chair Jama and Vice Chair Bonham, and members of the committee. For the record, my name is Khanh Pham, Senator for District 23, and I'm here today to share a bit more about the -3 for SB 686: The Oregon Journalism Protection Act.

Since the last hearing, my staff has consulted with a variety of stakeholders, including Apple, the Oregon Association of Broadcasters, News Media Alliance, Oregon Newspaper Publishers, LION Media, and smaller digital publishers. I have brought forward a few amendments today as a -3 based on those conversations.

In the -3 amendments, we have clarified that companies who make more than half of their revenue by selling branded devices - such as Apple - will not be considered covered platforms. Apple has an existing revenue share model that is working well and profitable for all parties, which is something we're aiming for in this bill for everyone.

Second, in consultation with the Oregon Association of Broadcasters, we have deleted a clause to make very clear that broadcasters who create news content for an Oregon audience are eligible to make claims.

Third, in consultation with LION Media and their local affiliate the Hollywood Star, we have raised the threshold of editorial news content from 25 to 51%. This is to answer the concern that digital news outlets that mostly aren't providing news content could potentially make claims under the statute.

In our dash three, Section 2 has been amended to *decrease the liability of covered platforms*. Section 2(a) is also now more narrowly tailored to each type of covered platform, and tied to the direct harms to news organizations by each sized platform: for a Google sized platform, \$104 million annually - and for a Facebook sized platform, \$18 million annually. These compliance figures are based on the 2023 study **Paying for News: What Google and Meta Owe US Publishers** (Mateen and Schiffrin).

As we heard in part one of our hearing on 686 from co-author Dr. Harris Mateen, those \$104 and \$18 million figures come from his 2023 study on the value of news content for platforms, scaled to Oregon's relative share of the U.S. economy (based on GDP). I am submitting that study in full today as part of the legislative record.



We feel this amendment to more narrowly tailor Section 2(a), and submitting the study into the record that quantifies these economic harms, now addresses the concern raised that Section 2(a) was “overbroad” under the “*Robertson* two test” of Article I, Section 8 of the Oregon Constitution. I also note that the figures to satisfy compliance in 2(a) are likely undervaluing the harms, as the study was conducted in 2023, *before* the full rollout of Google Gemini and Meta AI.¹

Of course, the statute as written also provides a pathway to dispute that valuation. The bill as drafted provides covered platforms with the option to elect arbitration and submit their own figure for fair market value in a “baseball” style proceeding. As for the argument that this violates the platform's due process rights to a jury trial, we are happy to expand the remedy at law already in the bill, add an appeals process, and/or an affirmative cause of action.

As for the question of a fiscal: The state of Oregon receives no revenue from this bill. Not one dollar goes into the state Treasury, or comes out of it. The state does not administer any program. There is no fiscal impact for the state of Oregon either way.

I'd like to clarify my remarks from the first hearing, when I said that 686 would benefit jobs and journalism here in our state. **Any qualifying news organization can make a claim**, but the size of their payout is based on the size of their newsroom staff employed for **the primary purpose of creating news for an Oregon audience**.

I'd also like to make clear that this bill is explicitly designed to support smaller publications, who by their very nature have smaller claims. The grant pool of up to \$12 million in grant funding under 2(a) obligations will be available to these smaller publishers through the civic consortium. These funds are to be directed to news deserts, new startups, and media serving marginalized communities. This is *additional* to a 1% set aside in the claims process for small publishers who would receive less than \$25,000 in claims.

Thank you again for your time and attention for SB 686. This is an important bill for the future of civic life in our state.

¹Rishi Shrivastava, Richard Nieva “New Data Shows Just How Badly Open AI And Perplexity Are Screwing Over Publishers,” *Forbes* (March 3, 2025)
<https://www.forbes.com/sites/rashishrivastava/2025/03/03/openai-perplexity-ai-search-traffic-report/>