



Chair Mark Meek
Committee on Commerce & General Government
900 Court St. NE,
Salem, OR 97301

Dear Chair Meek and 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 400 members in the United States and Canada, including in Philomath, Newberg, Portland, and Salem.

Local independent publishing is one of the bright spots in an otherwise struggling news media industry, often filling critical news gaps in rural areas and providing important and relevant news for underserved communities.

We are deeply concerned with SB 1580 and the negative impact it could have on local independent news publishers in Oregon. Independent news publishers are the part of the industry most in need of support, yet this bill threatens their very existence while diverting much of the money to newsrooms owned by out-of-state corporations. No meaningful changes have been made to improve upon SB 686, which failed on the floor of the Oregon Senate last year. We have outlined some of our biggest concerns with this bill below.

Funding formula favors larger outlets with out-of-state ownership

The bill calls for the majority of funds to be distributed based on the number of journalists a publisher employs. 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 fewer staffing capabilities but have equally as important needs as larger newsrooms.

Nearly half of all news outlets in Oregon have [out-of-state owners](#) – including several of the state's biggest outlets – meaning some of the biggest beneficiaries of these public funds will be corporations outside of Oregon.

Platform retaliation is a risk most independent publishers cannot afford

Local online publishers rely heavily on platforms like Google 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 there is very real concern this could happen permanently in Oregon. Risk of retaliation is a real concern for small independent news publishers because they are businesses that rely on these platforms to drive traffic to their sites. Not having this could cause massive financial harm and threaten the sustainability of their businesses. The inability for Oregon-based news to be found on platforms like Google would also disincentivize new news startups, due to the limits it would place on them when developing new audiences.

Legislation this consequential should not be rushed through a short session

If SB 1580 were passed and signed into law this year, Oregon would be standing alone as the only state to create a journalism bargaining code program like this in the United States. This has been attempted in Canada and Australia, and the result has been a net negative for most independent news publishers. Many large newsrooms can probably afford to absorb the risk this bill presents, but the small independent newsrooms that are providing critical civic infrastructure throughout the state cannot afford to do the same.

We strongly urge lawmakers to convene an interim task force on the issue of funding journalism, bringing all stakeholders to the table so that future legislation will truly benefit all of Oregon's news publishing industry.

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 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

