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## Assemblymember Wicks authors bill to make Big Tech pay usage fees for news siphoned from local outlets

California Journalism Preservation Act (AB 886) will also require publishers to invest profits in journalism jobs

**SACRAMENTO** – The California State Assembly will consider a bill this session that requires digital advertising monopolies like Google and Facebook to pay for content they siphon from local news outlets. The California Journalism Preservation Act (CJPA), AB 886, directs big tech companies to pay publishers a "journalism usage fee" each time they use local news content and sell advertising alongside it. In turn, the bill requires news publishers to invest 70% of the profits from the usage fee in journalism jobs.

The bill is authored by State Assemblymember Buffy Wicks (D-Oakland) and has garnered the support of the 800-member California News Publishers Association (CNPA) and the News/Media Alliance (NMA). Both organizations are advocates for quality journalism, free press and fair compensation for locally produced news.

"The CJPA provides a lifeline for news outlets – large, small, and ethnic – by directing a portion of the ad dollars back to the print, digital, and broadcast media that bear the entire cost of gathering and reporting local news while Big Tech bears none," said Wicks. "These dominant digital ad companies are enriching their own platforms with local news content without adequately compensating the originators. It's time they start paying market value for the journalism they are aggregating at no cost from local media."

## <u>AB 886 – A Journalism Jobs Bill</u>

There is more at stake with AB 886 than who pays and gets paid – more important is preserving local news providers. As news consumption has moved online, community news outlets have been downsizing and closing at alarming rates. By driving more digital ad revenue to local outlets and requiring investments in journalism jobs, AB 886 will produce a more stable news ecosystem, especially in smaller and ethnic communities.

"Studies have shown that communities without local journalism suffer consequences ranging from declining civic engagement and lower voter turnout to higher taxes and increased public corruption," Wicks noted. "In that sense, legislators from virtually every corner of the state have a vested interest in ensuring that quality local journalism is preserved. AB 886 is an important step in that direction."

## CNPA, NMA Support

Emily Charrier, CNPA Chairperson and publisher of the Petaluma Argus-Courier, said her publisher group, the nation's largest state press association, is supporting AB 886 so that news producers in California have a level playing field in the digital marketplace.

"Big Tech has become the *de facto* gatekeeper of journalism and is using its dominance to set rules for how news content is displayed, prioritized, and monetized," she said. "Our members are the sources of that journalism, and they deserve to be paid fair market value for news they originate."

NMA sees AB 886 as a critical initiative with potential national implications. The Alliance has been at the forefront of efforts to find ways to monetize digital content so that news organizations can be fairly compensated for use of their digital output, including in search engines and for advertising sold against that content.

News/Media Alliance Executive Vice President & General Counsel, Danielle Coffey said, "We applaud California Assemblymember Wicks for introducing this legislation and for recognizing the critical importance of high-quality journalism to ensuring informed and engaged communities. We hope Congress takes note and follows suit by reintroducing legislation at the federal level as well to give news publishers across the U.S. the same ability to be fairly compensated by the dominant tech platforms."

The bill has been submitted to committee and is expected to be in print by Friday morning, March 24.

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#### About Assemblymember Buffy Wicks

Assemblymember Buffy Wicks represents California's 14th Assembly District, which includes all or portions of the cities of Oakland, Richmond, Berkeley, Piedmont, Albany, El Cerrito, San Pablo, Pinole, El Sobrante, Hercules, Kensington, and Rodeo. You can learn more about Assemblymember Wicks at <u>http://a14.asmdc.org</u>.