



Illinois Department of Commerce & Economic Opportunity

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Local Journalism Task Force Meeting Minutes November 16, 2023

Event/Meeting: Local Journalism Task Force Meeting

Date/Time: November 16, 2023, at 1:30 p.m.

Location: Teleconference via Webex

Members Present: Jordan Abudayyeh, Jesús Del Toro, Jenna Dooley, Randy Eccles, Sam Fisher, Prof. Tim Franklin, Prof. Dong “HD” Han, Tim Myers, Jason Piscia, Sen. Steve Stadelman, Mayor Julie Moore Wolfe, Sen. Donald DeWitte, Allison Petty, Adam Rhodes, Mark Jacob, Josh McGhee, Rep. Dave Vella, Christopher Willadsen

Appointed Members Absent: N/A

Illinois Department of Commerce and Economic Opportunity (DCEO) Staff Present: Emily Bolton, Eliza Glezer, Brittany Davis

Call to Order: Meeting began at approximately 1:35 p.m. with brief overview.

Roll Call: 18 members were present; quorum was met.

Adoption of the Minutes: Minutes from the October 16, 2023, Local Journalism Task Force Meeting were unanimously adopted via voice vote.

Brief Introduction: Chairman Stadelman gave a brief welcome and introduction of agenda to discuss specific initiatives and policy along with a preview of presentation from Mary.

Discussion:

- **Chairman Stadelman:** Want to draft potential policy solutions in new year.
- **Tim Franklin:** Posted annual state of local news [report](#) today on Medill website. Illinois has lost 40% of newspapers since 2005 (231 newspapers lost) and lost 85% of newspaper journalists since 2005, one of the highest loss rates in the country. Five news desert counties in Illinois, and report created new watch list with data scientists that includes four Illinois counties – at high risk of losing local news.
- **Sam Fisher:** As newspaper publisher that watched revenue decline, a lot of it is finding a way to get more revenue. In other places, allocating a percent of state’s advertising budget to local media. Would’ve been great during COVID because there was so much federal money coming in. Doesn’t cost the state anything.

Ad credit for local businesses to invest into local media – win-win for local businesses and media. Tax credits for journalists would be great too. Anxious to see what happens in California.

- **Jenna Dooley:** Defining a journalist – does task force see a benefit if task force would be agreeing on a definition of a journalist? Example, one full time reporter based in the state. Should we come out with that now?
- **Chairman Stadelman:** Need to define that in legislation. Interns showed us definitions from other states that we could base our policy on. Needs to be a main focus for targeting our initiatives.
- **Jenna Dooley:** How to define a good actor? Example: outlet employs at least one full-time equivalent who resides in the state of Illinois. Other examples given those tangibles we might want to consider to avoid pink slime places taking advantage of these policies or receiving dollars or credits.
- **Chairman Stadelman:** When you have credits, should we include larger chains? Will dollars go to local reporters or go to their business models? Need to be careful regarding credits so money ends up in local operations.
- **Randy Eccles:** Only problem with focusing on number of journalists is not focusing on information the public is getting. Hard to recruit journalists in smaller towns. Idea that someone in Illinois is good, but it might be a freelancer or someone with training from college. Especially in underserved populations. Concerned with a major company shifting bottom line around. If it's just hiring journalists, that still benefits areas that can afford to do that and have people available to hire. More difficult for smaller areas.
- **Prof. Dong “HD” Han:** Interested in deal for money set aside. Government agency has set amount of money in budget to advertise in local news media. Will help with steady income from advertising from government agencies, and government will have a way to publicize their activities within communities. Avoids problems of what qualifies as local news media. Good idea!
- **Jesús Del Toro:** Regarding definition of local media, there are many small local media outlets that can't afford to have more than freelancers that collaborate frequently and provide valuable service to communities. Diverse communities, so difficult to define only as having a staffer or not. Need to be flexible enough to include outlets that need support but can't afford local reporters. Don't want outside outlets to take advantage, but some places without local staff are still creating local content.
- **Jason Piscia:** Looking at model in UK where there's a national tax to keep BBC running on a yearly basis – could something like that be developed here? “Tax” or something on news-consuming device – every device you use to consume news such as phone, TV or radio. Flat tax on purchase to go into fund to develop local journalism. Also from college standpoint, there are programs where the state or whoever will pay off college loans for teachers, nurses or doctors who work in underserved areas for X number of years – could that be adapted for journalism? Like employer tax credit. McArthur Press Forward initiative – not enough but a good start. \$2 million endowment to create nonprofit local news initiative in Springfield – something to watch as we go forward.
- **Chairman Stadelman:** Talked about New Jersey model that provided government funding with a layer of bureaucracy that distributed government dollars. Thoughts?



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- **Allison Petty:** Echo Jason's idea in terms of talking about student loan forgiveness, things for people coming out of school and going into journalism. Lots of young people can't achieve a salary that's commensurate with being in a career for a few years. Could help outlets of all size and help build a bench in the industry.
- **Chairman Stadelman:** Pipeline issue needs to be addressed. California has a fellowship program.
- **Tim Franklin:** This is an urgent problem. Need a policy that can be enacted quickly before we lose more local news organizations without assistance. New Jersey block grant program – concern is those grants are very small. Don't know if they'd have a lot of impact unless Illinois pumped a lot more money into program. Creating bureaucracy is another issue. Like advertising set aside idea – revenue into hands of news organizations quickly. Potential for political gamesmanship, so need guardrails put in place to manage – maybe director or small nonpartisan committee to administer. Like advertising tax credit – small businesses would benefit from this as well. Politically palatable for both Republicans and Democrats, provide incentive to advertise in local news. Like employer tax credit idea for hiring journalists – need to define it and need caps for news organizations. Aiding chains – don't want state to subsidize large chains but citizens who live in Peoria, Rockford, Bloomington, Decatur and other medium-sized cities are in markets where newspapers are owned by those companies. So, from a consumer standpoint don't want them to be disadvantaged by not providing some sort of help in those communities. But don't want state to subsidize large corporate media either.
- **Mark Jacob:** Talking about caps on employer tax credits – where would that work?
- **Tim Franklin:** In congress and other states, wouldn't provide employer tax credits to employer with more than 100, 500, etc. employees to get out of subsidizing chains. Limit on who would benefit from employer tax credits. Other states looked at that as mechanism to prevent subsidizing.
- **Mark Jacob:** Employees in that state?
- **Tim Franklin:** Could be for number of employers in Illinois, or employers out of state with X number of employees in state. Number of ways to craft legislation.
- **Mark Jacob:** Anyone tried a seed fund that would provide grants to potential startups, especially digital startups? Seems like easiest way to get started without spending lots of money.
- **Tim Franklin:** American journalism project is doing that in some parts of country and national trust for local news. Happening at philanthropic, nonprofit level. But only grant program aware of in states is New Jersey and have reservations about their model.
- **Mark Jacob:** Criteria in New Jersey? Is that part of the problem? Or problem is they're small?

- **Tim Franklin:** Pool of money not capitalized enough to have impact. Nice gesture, but it's not life-changing amount for lots of news organizations. And need to have non- or bipartisan infrastructure to administer it, and then it's up to that committee to decide who gets grants and who doesn't.
- **Chairman Stadelman:** Hesitant about direct grants to avoid bias, government interference. Bureaucracy doesn't sound attractive.
- **Jesús Del Toro:** Program in California with state library that provides grants up to \$100,000 for local media to create content about specific topics that are relevant, like hate crimes. Consortium for general grants – could be a way to provide larger grants to tackle specific issues that are affecting communities in important way. Topics decided by panel. Local media would receive good amount of money to produce content, support journalists creating content. Program like that could be meaningful in terms of amount of support and outlets – journalists creating content that will serve communities. Topics defined depending on priorities.
- **Allison Petty:** Work for large newspaper company – there's all different ways that could go down. Some companies may be more profit hungry than others. Newspapers in those communities are still serving those people and guardians of history and institutional knowledge. Solution shouldn't only be helping one type of media because everyone is struggling. Agree with Tim – time is of the essence, but some more substantive change will take longer. Identify short term solution and something more long term too.
- **Chairman Stadelman:** Something like credits would be efficient in terms of opening revenue streams right away. Moor bureaucratic solutions may take longer down the road.
- **Allison Petty:** Ad tax credits may be faster but deeper issues may take longer.
- **Chairman Stadelman:** Will take time to do it all. No one solution will solve problem. Lots of avenues over period of time.
- **Sen. Donald DeWitte:** Have to be careful when qualifying or quantifying types of news sources because of potential for political gamesmanship. Find ways to bring more people into the journalism industry. Sons on different sides of political spectrum – teach and preach that it's important to read news from all different sources, pushing both left and right agendas. Reality is probably somewhere in the middle. Important to expand how much of that information gets out, then try to absorb what makes better sense from political, personal, daily life standpoints.
- **Chairman Stadelman:** Need to make distinction between publications/platforms that have a political agenda vs. more traditional viewpoint, even though hard to qualify. Especially if government credits are involved.
- **Sen. Donald DeWitte:** Who gets to decide those various descriptions that get assigned to the news sources? Pink journalism has been around a while. If we're going to differentiate between news sources, who makes the differentiation and how do we keep it fair?
- **Prof. Dong “HD” Han:** Government subsidies to newspaper subscriptions – not sure how effective but doesn't do any harm to provide subsidies to low-income people subscribing to newspapers. More access to information can only be a good thing. Details need to be worked out, such as the line to receive subsidies,



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definitions, etc. Consumer subsidy for people who subscribe to news media – doesn't hurt to try. Agree that something needs to be done to bring more people into journalism.

- **Sam Fisher:** 102 counties in Illinois – 5 have gone dark and 4 potentially, so talking about community news organizations. Not Republican slant or Democrat slant, it's about what's going on at city hall. These fundamental issues people aren't finding out about is the greatest concern. Bad things can happen if no one watches. Heart has to be focused on community – defined by geography, neighborhood, etc. Need to find sense of community. That's what's at risk.
- **Chairman Stadelman:** Quantify geographically targeting certain publications from a policy standpoint? Rural areas come to mind, but also news deserts in urban areas. How to define?
- **Tim Franklin:** More than 80% of all newspapers in the country that are lost are in suburbs – not news deserts but a lot of loss in those areas, including around Chicago. Can craft legislation to target certain communities, news deserts, watch lists. Hope for watch list is to incentivize public policy makers to act before it's too late in those areas. Will circle back. Problem that's rapidly expanding. By microtargeting, we could be cutting off oxygen to communities that need it.
- **Jordan Abudayyeh:** If journalism industry itself doesn't have self-proclaimed experts who can define a journalist, we might as well give up. Clear delineation between pink slime/bad actors and journalists. Very clear line. Need to find independent arbiter who can give us specific definition of non-biased journalists reporting for legitimate news outlet required to abide by ethics. Need this definition to save local news. We saw these outlets taking in grant money to spread disinformation during Covid – important to delineate journalists vs. bad actors. We should drill down any sort of legislation or policy change that goes to people doing legitimate work of upholding and holding government officials accountable in a truthful way. Definition needed.
- **Jesús Del Toro:** Something that requires appropriations or tax incentives? Depending on budget. Need for support is becoming urgent. Need something that can be implemented fast, possibly in next session.
- **Chairman Stadelman:** Often different philosophies in terms of government spending and what's effective. Employer tax credits may be more bipartisan to include bottom line. Different political philosophies among lawmakers to address issues.
- **Sen. Donald DeWitte:** Tax credit opens up slippery slope of who gets credits and who doesn't. Who gets to make those determinations, who gets to decide what's legitimate, objective journalism vs. one-sided? Who decides which agenda gets to contribute? Reporters not even being assigned various news beats in fringe areas – for years, reporters were at every public meeting but that's gone away, often even in Springfield. Who's there asking the hard questions? Issues and agendas need to be pressed. Be careful about who gets to make those decisions when deciding who's legitimate.
- **Jenna Dooley:** Illinois Press Association decides who gets press access. Line in sand is outsourced, automated content created solely for political agenda. Need to consider places that employ AI. Policies that

would find a way to weed those out. Can't judge quality but can make parameters that rule out 90% of outlets started solely for political agenda. There is a way to find the line in the sand.

Presentation from Mary Randolph: Northwestern University Medill School of Journalism intern conducting research for the Task Force on the local news landscape, the changing definition of journalism and journalists and policy initiatives in various states.

- Looked deeply into California journalism preservation act. It requires online platforms that meet certain criteria (targeted at Google and Meta) to pay journalism outlets they're featuring on their platforms. Platform has to have 50 million US-based active subscribers and sales greater than \$550 billion.
- Most of money must go toward journalists.
- Bill placed on hold this past summer until 2024. Meta threatened to pull news content from its platforms if bill passed. They did this in Australia and Canada.
- Some other bills like this:
 - o Journalism competition and preservation act – bipartisan federal bill, similar requirements. Bipartisan support and opposition such as Meta and Free Press.
 - o Australia enacted in 2021. Treasurer designates which online platforms under obligation of the code – none right now because they've made private deals with outlets. Negotiations with large and small publishers that banded together after Meta took news off their platforms. Over \$140 million to news platforms around Australia, some say more going to large platforms.
 - o Canada – online news act, requires online platforms to conduct open call process to negotiate with open news organizations. Meta followed through on threats to pull news from platforms. Google says will do the same when act official at end of year. Because news pulled, many outlets lost up to 30% of audiences getting news from social.
 - o Other countries considering similar policies, but none have gone this far.
- Opposition from many different directions, especially Google and Meta. Not interested in working with California or Canada on this. Groups like ACLU of California, California Taxpayers Association and Free Press are critical of bill. Free Press argues it wouldn't increase the amount of journalists in underserved communities because journalists don't need to be based in California, only need to be clicked on by Californians. Only 25% content required to be of public interest to community. Opens up eligibility to pink slime organizations or organizations owned by hedge funds. Could open up to sensational news, click bait.
- There's already so much sensational news, writers of bill don't believe it would be increased. But wouldn't no longer be an issue.
- Worth thinking about whether Google and Meta should be treated differently. Google sometimes ensures people don't leave Google page and click on websites. Meta is giving a platform to post on social media what their news is – more likely to have people click on stories and follow them on social media. Different ways of interacting with local news.
- More information in report.

Discussion: Members of the Task Force posed questions to the presenters and discussed the presentation. The main themes discussed are below:

- **Jesús Del Toro:** If this passed in California... Meta and Google are a monopoly on online advertising. Can that be targeted?
- **Mary Randolph:** Could foresee it having national repercussions, but hard to say. Advertising – Free Press report proposal tackles how they have monopoly on ads.



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- **Tim Franklin:** This would take a long time and be litigious on tech companies. Long-range issue that would get lobbied like crazy by tech companies. Existential threat potentially coming from AI to local business models. AI gives you the answer, you don't have to click through to go to local news site, so news organizations will lose ad revenue that would come from that click and advertisers don't have attention on ads from that site. Work being done by attorneys to mitigate this – coming faster than people realize.
- **Randy Eccles:** AI will generate story then if you say show me the sources it will attribute the sources. Something that can be implemented quickly – something for journalists going into news deserts that would get support after graduating. Incentive to work.
- **Tim Franklin:** Pipeline problem. Support opportunities for graduates to get work in these places. Depends on how it's structured – if requires small local outlet to pay that journalist, even with subsidy you still have problem of being able to pay journalists for that work. Still need to address revenue problem and supply of journalists problem. Would you and classmates work in small town, Mary?
- **Mary Randolph:** I might, but I have all of this context and research. Lots of classmates want to work in major city or in marketing or PR.
- **Sam Fisher:** We can define what's a worthy news outlet and local journalist. Takes a lot of work but there are bad players out there.
- **Chairman Stadelman:** Talking about people covering school board meetings, city council, etc. Embed in the community. Can define that traditional news organization.
- **Sam Fisher:** Dan Proft isn't going to city council meetings. We can define that.
- **Allison Petty:** Anna Sorkin – people want leadership – in the absence of water in the desert, they'll drink the sand. Pink slime able to take hold if not enough examples of actual journalism for people to distinguish. People want some sort of information and there it is. If able to solve revenue problem, or help, that will help address other issues we're seeing.
- **Prof. Dong “HD” Han:** SIU in rural area, difficult to recruit journalism students – expensive, if not from a well to do family. Spend a lot of money so you want that investment to have good returns – incentives to go elsewhere and make more money.
- **Chairman Stadelman:** Come up with a report. Provide general overview and solution, suggested recs, etc.?
- **Emily Bolton:** Circulate statute language. Large part of report is what we've been doing – establish and define lay of the land in Illinois journalism. Then policy portion – how we move forward depends on what we see as role of report. Do we want it to lay groundwork for legislation or have it as a resource for people to refer to?

- **Mayor Julie Moore Wolfe:** Can come up with great report and recommendations but sometimes legislators want to put their own spin on things. How to protect what we're suggesting?
- **Chairman Stadelman:** We can generate report with overview and possible recommendations. Then report will be available and could move in political arena with any legislation produced. May or may not mirror what legislators do. Open to suggestions – open to change once it enters political arena. Don't mind introducing broad legislation that will be narrowed following further discussions.
- **Jenna Dooley:** Make sure we're clear on definition of a journalist – most important to protect from any legislative changes. How do we craft it as a taskforce? Would be useful product out of this taskforce.
- **Chairman Stadelman:** Agree, that's a fundamental issue.
- **Sam Fisher:** Emily, can you provide examples of what past task forces have done for their reports?
- **Emily Bolton:** Yes, will do research and share.
- **Sam Fisher:** Legislators will have to go to reference bureau, which becomes a busy place in January. Issue trying to craft there?
- **Chairman Stadelman:** No, but the earlier we start formulating something and getting it in front of people who draft legislation is good. Legislation deadlines are early. The sooner the better.
- **Sam Fisher:** Happy to assist with writing report.
- **Chairman Stadelman:** Thank you. Also relying on Mary and Hannah. Mark offered to help too. Will that report mirror legislation? Don't know. Open to suggestions.
- **Tim Franklin:** Want us to have impact – make recommendations. Specific ideas for legislation. This shouldn't be a partisan issue. There are Democratic and Republican counties struggling with lack of local coverage and news, so want our work to be viewed as a bipartisan effort. Framework of recommendations toward legislation would be real contribution.
- **Chairman Stadelman:** Partisanship comes to potential solutions. Some lawmakers don't want to see government doing anything involved in a private space. Everybody agrees this is a problem, but approaches may become partisan. Things we've talked about that can get bipartisan support. Want to get input from both sides. New Jersey consortium is fascinating – philosophically, not sure I want to go there - \$25-30 million from budget annually could be problematic/difficult.
- **Mary Randolph:** Spoke to people involved in leadership of California fellowship program. They're passionate about informing and implementing similar programs on same values across the country, so could be open to presenting, even the state senator.
- **Chairman Stadelman:** Helps address pipeline issue, underserved communities, etc.
- **Prof. Dong “HD” Han:** Director of journalism at SIU would like to present at taskforce - how journalism program can work together with local news media and high school journalism program.



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Public Comment: No members of the public offered comment.

Adjournment: Meeting was adjourned by Chairman Stadelman at approximately 3:00 p.m.