



## Illinois Department of Commerce & Economic Opportunity

JB Pritzker, Governor

### Local Journalism Task Force Meeting Minutes December 27, 2023

**Event/Meeting:** Local Journalism Task Force Meeting

**Date/Time:** December 27, 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, Allison Petty, Mark Jacob, Christopher Willadsen, Mayor Julie Moore Wolfe

**Appointed Members Absent:** Josh McGhee, Adam Rhodes, Sen. Donald DeWitte, Rep. Dave Vella

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

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

**Roll Call:** 14 members were present; quorum was met.

**Adoption of the Minutes:** Minutes from the December 11, 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 the draft task force report.

**Discussion:** The main themes discussed are below:

**Mark Jacob:** Happy to hear feedback on draft report. Wish we had for report: state ad spend, which would be significant number to have if talking about advertising set asides, but probably can't get that; strong idea of where City of Chicago stands on its advertising set asides – know Mayor has committed to idea but someone may need to call them for more information.

**Jordan Abudayyeh:** Can ask GOMB for state ad spend number but will likely be hard to figure out.

**Mark Jacob:** Would be good to know the scale we're talking about. Anyone know anything about Chicago set aside?

**Jesús Del Toro:** Spoke to a councilman who said mayor is interested in doing this on a larger scale. Some councilmen interested in talking more about that.

**Sen. Steve Stadelman:** Is Chicago program up and running yet?

**Mark Jacob:** Not yet. Lightfoot and Johnson in favor but haven't made it happen.

**Jesús Del Toro:** Program starting to be implemented in late 2022/early 2023, even had meetings with heads of advertising from different city agencies to coordinate something, but not sure what was achieved from that. Everything stopped with election.

**Mark Jacob:** Any other loose ends to stitch up?

**Sam Fisher:** All feedback was good, in attachment of Emily's email.

**Mary Randolph:** Organization of policies – right now listed in random order with paragraphs about ones we discussed more in depth and then a shorter section with ideas we don't have more information on. Sort into some sort of more organized style either by time frame or amount of discussion spent on them?

**Prof. Dong “HD” Han:** We could put a note somewhere in policy recommendations of which policies would have long-term or short-term effects. Important to discuss that.

**Mark Jacob:** Could be something for introduction to policy options. Jason Piscia made comment about formulating some sort of mission statement/thesis that would get at what we need. We could work on that, and that could be added to the introduction to policy options as well. Want to keep it tight too.

**Sen. Steve Stadelman:** No issue with how things are organized. Condensed and compact, easy to read.

**Mark Jacob:** Senator, you'll take this report to translate into legislation – view as a menu then choose what makes sense and seems practical?

**Sen. Steve Stadelman:** Want feedback and input into legislative proposals but pushing forward legislation at the end of the day and need to take into account potential problems logistically, legislatively, etc. Want input of task force. Good to have broad outline of discussions and policies we've talked about. Any areas regarding policy solutions need to be fleshed out more or need more input?

**Sam Fisher:** Depends how deep you want to go on some of these. Lots happening in California that could go into more detail, but overall good summary of what's available.

**Mark Jacob:** Didn't feel well-grounded on tax exemption section – cite state of Washington which has Business and Occupation tax.

**Sen. Steve Stadelman:** How much conversation do we have on that?

**Mark Jacob:** Not much, may be why I'm not super secure on it. Does anyone understand how it works practically?



## Illinois Department of Commerce & Economic Opportunity

JB Pritzker, Governor

**Mary Randolph:** Best parallel to what they're doing in Washington, but not discussed much.

**Sen. Steve Stadelman:** Is Washington the only place with the tax?

**Mary Randolph:** Yes.

**Sen. Steve Stadelman:** Strictly business or corporate tax?

**Sam Fisher:** Might be a big reach to define where corporate tax credit goes.

**Sen. Steve Stadelman:** How does Washington define how money's used?

**Mark Jacob:** Local news outlets get exemptions. Wouldn't have impact on news deserts, but relief on news outlets.

**Tim Franklin:** Legislation just passed in Washington, so still relatively new. Does it apply to out of state companies or only in state? Cap on size of companies receiving exemption?

**Mary Randolph:** Looking at file with text of law and wondering if it wouldn't apply out of state because they don't pay that tax since only Washington tax. Doesn't say anything about size.

**Hannah Carroll:** Have information on how they define journalism if that's worth exploring how they define which organizations are eligible.

**Mark Jacob:** Steve Waldman said strongly that policy options that improve number or hold steady number of journalists operating should be priority number one. Best way to preserve local news. May be worth stating because these policy options vary in how much they affect that.

**Mary Randolph:** One other aspect is replanting idea. Came up in last meeting during public comment and Rebuild Local News pushes it. Full section in policy options right now, but there isn't a clear policy related to that in play or even thought out right now. Lot of thought of how nonprofit would work with replanting and could be promising for local news. Should it be in same place as these more specific policy options since not on same realm and couldn't be suggested to legislature any time soon?

**Mark Jacob:** Promising option. No rule against us coming up with new things. Would be great if someone cited our state as doing something pioneering on these grounds.

**Sen. Steve Stadelman:** Spoke to Steve Waldman to try to flesh out what language looks like regarding policy proposals that have most agreement with this group. Talked about replanting – should include because interesting idea. Depends on what language looks like – wide range of policy solutions that could be implemented. Leaning toward something at minimum along the lines of a notice that a sale is taking place that may generate interest among nonprofits or other groups to be involved in discussions.

**Mark Jacob:** Like a state-mandated notice that the outlet has to give if changing hands?

**Sen. Steve Stadelman:** Right. If a company closing its doors, there's a time requirement to notify the state that it's shutting down operations – allows community and employees to have a notification process. Precedent for this type of requirement/action. Nothing required in other states so this would be a new precedent.

**Sam Fisher:** With respect to newspapers, lots of merging. How would that apply? Maybe that should apply.

**Sen. Steve Stadelman:** Would need to be included in language. Any corporate change instruction. Should include replanting.

**Tim Franklin:** Philosophical question... Do you want to say task force has discussed or supports these measures? Do you need an endorsement as you're introducing policy?

**Sen. Steve Stadelman:** For release of the report or legislatively?

**Tim Franklin:** Both.

**Sen. Steve Stadelman:** Would be helpful. Not all solutions may be included in legislation but would be good to have support of task force if they're comfortable with that moving forward.

**Tim Franklin:** Think it's a stronger report if we have a series of recommendations rather than discussion points. Agree with Mary that breaking these out short vs. long term could be helpful. Stating explicitly that task force supports these rather than discussed is good.

**Sen. Steve Stadelman:** In support of would be helpful. Showing task force thinks this would be helpful to improve bottom line, financial picture of newsrooms.

**Mark Jacob:** Language doesn't particularly endorse them. Could add a sentence that we think all of these options show some promise and are worth exploration.

**Tim Franklin:** I like that, thanks.

**Sen. Steve Stadelman:** No silver bullet here. Will take several approaches. Complicated problem, no single solution will solve our problem, yet these measures can be part of the solution to help.

**Sam Fisher:** Can say we support any of these options. We support what's in the task force report – stronger language.

**Tim Franklin:** Be explicit if everyone's comfortable with it.

**Jesús Del Toro:** Yes, makes it stronger.

**Tim Myers:** Which is most sellable in your opinion, senator? Top two or three you could sell?

**Sen. Steve Stadelman:** Need to determine in weeks ahead. Tax credits payroll, business advertising credit, government set asides, things that are directly impactful on hiring journalists locally. Solutions that are more timely and short term are more effective and politically attractive. Business ad credit can be more bipartisan



## Illinois Department of Commerce & Economic Opportunity

JB Pritzker, Governor

issue. Bring different lawmakers from different perspectives on board. Like idea of tax credit and policy versus larger grant program – bigger immediate price tag becomes more politically problematic and a harder sell legislatively. Whatever we can do to streamline, target, keep price tag down will likely be more politically advantageous. Need some immediate impact here with legislation.

**Sam Fisher:** Maintaining or investing back into newsrooms. Are we strong enough in any statement to say that's what needs to happen? Make sure funds are invested?

**Mark Jacob:** Could do that in one sentence and would love to see it.

**Jenna Dooley:** Report talks about spending per resident for allocation for public media. Coming from a place of working in public media but wondering if it would be helpful to have a direct recommendation that puts a dollar amount out there.

**Mark Jacob:** For public TV or just radio?

**Jenna Dooley:** Both. Split among public radio and TV licenses. Some places are dual licensees. Want to highlight that you could see pushback to say this is money and there's investigation into a dual license but fail safe has come into effect because to get state appropriations you have to be in good standing with corporation for public broadcasting and that entity isn't in good standing. Want to make sure we're not giving taxpayer money to entity under public investigation – wouldn't qualify as written. That allocation is not just for newsroom operations, it's for everything. Recommended allocation for public media.

**Sen. Steve Stadelman:** Do you have a suggestion?

**Jenna Dooley:** In 1980 it was \$1 million and today just over \$1 million, even though costs have increased. Allocation hasn't kept pace with rising costs.

**Randy Eccles:** Working on getting that back to \$5 million, where it was a few years ago. Went up to \$1.6 million this last year. Stations sometimes get \$20,000, which isn't enough to make an impact on journalism, helps with operating expenses. Would take significant amount of money to make impact. Need to see if newsrooms grow, shrink, etc. and decide how they qualify. Arts council money takes a lot of work to apply and is appreciated but doesn't make huge impact.

**Jordan Abudayyeh:** Your state funding was \$1.6 million last year?

**Randy Eccles:** Yes, there's a line item for PRTV in the grant for \$1.6 million for public radio and TV.

**Jordan Abudayyeh:** And you're saying \$5 million is what you need?

**Randy Eccles:** \$5 million is what we had a few years ago, about 10 years ago, and that's what we're advocating for now and trying to get that up to \$5 million.

**Jordan Abudayyeh:** If you had \$5 million, what would the impact be? Can you quantify how many people you could hire, what you could do with that?

**Randy Eccles:** More than anything, it's probably going to stop us from shrinking more. Our universities have been cutting our budgets and we're trying to make sure we can continue to pay things. So, it takes pressure off of needing to get tinier or smaller. But I would say it would probably allow most folks to, if we went up to \$5 million, it would probably allow the radio stations to add a news person.

**Jenna Dooley:** Is it following the scaled tiered system that CPB does? Ex. WBEZ gets largest share. Drawback is smaller stations receive smaller funding but could benefit from more money because their donor and advertising pools are lower too. If able to raise more money, can get more money. Funding can be problematic to solving some news desert issues.

**Randy Eccles:** Formula used is proportional to audience size, so Chicago does better than smaller markets. TV gets 75%, radio gets 25%, yet radio is hiring more journalists. TV is doing more on education side, but often coming from federal level. Radio doing most on local journalism, so increasing impact on public radio would help.

**Tim Franklin:** Jenna or Randy, there's discussion going on nationally about whether public radio and public TV could be part of solution to news desert problem. Could additional resources going into those entities near news deserts give them resources to go in to cover counties that currently have no coverage?

**Jenna Dooley:** The infrastructure is already there.

**Tim Franklin:** Exactly. And you have brand names and you're known in your communities and so forth, there's a lot of advantage to that. So, in asking for additional state funding, could we also make the case that additional investment in public broadcasting could help in Illinois' news desert counties to provide coverage where there is no local coverage now?

**Randy Eccles:** It all depends on the level of money. We are already trying to figure that out and get more coverage for counties that are just outside of our main county where there's not as much coverage. It's a challenge. The way the scaling of funding is right now, we're looking more at a stringer network or trying to develop people to do journalism at an ad hoc basis because not enough money to hire journalists needed for all those places. Public media has infrastructure in place so would be more efficient to pay people to be reporters and not have to pay people to track the grants.

**Jenna Dooley:** Public radio already pays in for two statehouse reporters annually. Not cost of entire person, but we know statehouse coverage is strong and robust and not chasing down state headlines – localizing and following up. Some reporters came from Report for America – kept pace with that. But underwriting dollars going down. University system – many of state's public media organizations have university license. Farm team teaching hospital way of working with students, direct pipeline of in the classroom training then stronger candidates for whatever job they take after college. Pipeline through public media.

**Randy Eccles:** All different stations share stories across newsrooms. Cooperation vs. competition has been beneficial as things have gotten tighter.

**Sam Fisher:** Using news from Capitol News?



## Illinois Department of Commerce & Economic Opportunity

JB Pritzker, Governor

**Jenna Dooley:** Each day, each station is a Capitol News Illinois (CNI) day. If something comes in from CNI, post with code for other stations. Can all access CNI and it all gets on their website. Strong resource for content sharing.

**Sam Fisher:** Want to talk more about how you do that.

**Mark Jacob:** Why did funding go down? Legislature? In report, we could say new legislation is not the only thing that could help.

**Jenna Dooley:** Part of budgetary process so to the will of whoever's in office. Doesn't require legislation, just consideration during budgetary process.

**Randy Eccles:** PRTV line item in IACA budget

**Jordan Abudayyeh:** Doing this process now. Connect with Andy Manar, budget folks. Need to make sure it makes an impact in newsrooms, especially downstate, if increasing budget.

**Tim Franklin:** All news deserts in southern Illinois.

**Sen. Steve Stadelman:** Through budget process, can introduce budget allocation request legislatively as well. Is there an appetite to require language that new state dollars end up creating new positions in underserved areas/news deserts?

**Randy Eccles:** Funding would help. Worry if there's enough to fund a reporter for areas needed. Need to measure increase in reporting to get more stories out about these areas around the state that aren't getting served.

**Jesús Del Toro:** Larger radio or TV stations get more from these grants because allocated per audience – could there be some kind of compensation/balance to avoid that? Could be good in any of our possible solutions. If there are tax credits, find a way to have some sort of affirmative action for small/community media. Larger local media will get largest share otherwise. Smaller ones won't get enough to survive if only based on audience, reach, size, coverage. Balance funding.

**Randy Eccles:** CPB in federal grant has a portion of grant as rural service bonus. Not a whole lot but it does help.

**Jesús Del Toro:** Something like that that considers context would help with equity.

**Sam Fisher:** Public broadcasting – 12 cents per capita is sad, but even more sad when compared to other states that offer \$3-4 per capita. Call to increase on per capita basis?

**Randy Eccles:** Goal has been to get back to \$5 million which would affect per capita in some sense.



**Sen. Steve Stadelman:** Do we put in a request for additional funding in report? Do we need to mention a specific number or get the point across that we wish for more robust funding, return to previous spending levels, etc.?

**Jordan Abudayyeh:** If return to \$5 million is bottom line, I would be clear about that.

**Randy Eccles:** Seeing university funding go down, so \$5 million even more important. More than open, like WBEZ and Sun-Times, to taking role to coordinate things in deserts across markets. Interested in doing what we can to help.

**Mark Jacob:** Are these numbers in a document I can cite?

**Jenna Dooley:** Internal document from Illinois Public Broadcasting Council.

**Randy Eccles:** Been in budget, but we can share a document that cites old numbers. Publicly available information.

**Sam Fisher:** Will share story that talks about FY24 appropriation as a source.

**Mark Jacob:** Just want to make sure \$5 million is right.

**Randy Eccles:** Probably giving round number, but we'll find the last year we got that and share.

**Mark Jacob:** Should be able to make revisions to draft document before next meeting.

**Sen. Steve Stadelman:** Assume there will be some type of vote. Aiming for January 5 for some type of vote or have discussion then have third date for official action?

**Sam Fisher:** Should be ready to roll by the 5<sup>th</sup> to vote.

**Mark Jacob:** Changes helpful but not major. Should be able to do these. Good suggestions.

**Jesús Del Toro:** City of San Francisco just released a [report](#) about how to set aside tax and budget. Interesting how they present their case, problem, analysis, etc. New, following NYC and Chicago process but trying to go beyond that.

**Christopher Willadsen:** Task force report is outstanding. Don't have major recommendations but will submit survey to weigh in.

**Sen. Steve Stadelman:** Aim for revision and final draft out in next few days then will meet next Friday for a formal vote. Jordan, as the administration puts together a budget proposal, do you anticipate this being part of that? Who should I contact to coordinate efforts?

**Jordan Abudayyeh:** Will talk to Andy Manar about public broadcasting but recommend talking to Andy about anything that will be costly. Start putting stuff together in January.

**Public Comment:** No members of the public offered comment.





## Illinois Department of Commerce & Economic Opportunity

JB Pritzker, Governor

**Adjournment:** Meeting was adjourned by Chairman Stadelman at approximately 2:33 p.m.