

What's in the new CJPA?

	Original CJPA	Amended CJPA
<p>How would the legislation generate revenue to support local journalism?</p>	<p>Large tech companies would be forced to pay a portion of their advertising revenues to international, national, and local news outlets on a quarterly basis.</p> <p>The original CJPA would function as a so-called “link tax.” An arbitrator would determine the total value that a platform derives from showing users news-related content. Then, platforms would be required to compensate all qualifying news outlets based on the number of instances where a platform presents a link to those outlets' websites.</p>	<p>Instead of requiring platforms to pay a percentage of their ad revenue to news organizations based on the number of links shared from each outlet, the revised CJPA would allow platforms to pay an annual fee (unknown as of yet) into a fund to support California journalism.</p> <p>This isn't a pure “link tax,” because platforms aren't forced to pay outlets on a per link basis. But it can still be understood as a “linking tax,” because platforms have to pay outlets for accessing their content.</p>
<p>How would the revenue be distributed?</p>	<p>Once the arbitrator figures out the size of the pie, eligible outlets would receive payments based on how many times their articles were displayed by platforms. The more times that a platform showed its users a news article from a certain outlet, the more they would have to pay that outlet.</p>	<p>Once the money from platforms is in the fund, it would be distributed to outlets proportionally based on the number of journalists that each newsroom employs. The more journalists that an outlet employs, the more money they would receive. (Journalists are defined as being “employed by each qualifying publication for the primary purpose of producing content for a California audience.”)</p> <p>One percent of the total fund would be set aside for smaller outlets that would receive less than \$25,000 annually under this scheme.</p>

		<p>This money would be split up and distributed to these small outlets on top of any benefits they would already receive.</p> <p>For outlets with five or fewer employees, every \$40,000 spent on freelancers would count as the equivalent of one employed journalist, up to a total value of \$160,000. This would allow smaller outlets to claim up to four additional journalists when seeking payments from the fund.</p>
<p>Which outlets would qualify to receive funding?</p>	<p>The outlets that would be eligible to receive payments from tech platforms include local broadcast news stations, or outlets that have “at least 25 percent of its editorial content consisting of information about topics of current local, regional, national, or international public interest.” There is no cap on the size of the outlets that can qualify.</p>	<p>The language in the bill defining “qualifying publication” remains largely unchanged. There is no cap on the size of outlets that can qualify under this bill, and broadcasters are eligible to receive payments.</p>
<p>Are there stipulations on how qualifying outlets can spend the money?</p>	<p>Qualifying outlets would need to spend at least 70% of the money they receive on “news journalists and support staff.”</p>	<p>Qualifying outlets would still need to spend at least 70% of the money received on “news journalists and support staff.” For smaller outlets with five or fewer employees, this requirement would drop down to 50%.</p>