

# SB1732



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB1732

Introduced 2/5/2025, by Sen. Steve Stadelman

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Journalism Preservation Act. Provides that specified online platforms shall track and record, on a monthly basis, the total number of times the online platform's websites link to, display, or present a digital journalism provider's news articles, works of journalism, or other content that are displayed or presented to Illinois residents and remit a journalism usage fee payment to each digital journalism provider who has satisfied specific requirements. Sets forth provisions concerning notice requirements; fee payments; calculation of fees; arbitration; non-retaliation; funding for journalists and support staff; reporting requirements; preservation of rights; and severability.

LRB104 09901 SPS 19971 b

A BILL FOR

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the  
5 Journalism Preservation Act.

6 Section 5. Findings.

7 (a) A free and diverse fourth estate was critical in the  
8 founding of our democracy and continues to be the lifeblood  
9 for a functioning democracy.

10 (b) Every day, journalism plays an essential role in  
11 Illinois and in local communities, and the ability of local  
12 news organizations to continue to provide the public with  
13 critical information about their communities and enabling  
14 publishers to receive fair market value for their content that  
15 is used by others will preserve and ensure the sustainability  
16 of local and diverse news outlets.

17 (c) Communities without newspapers lose touch with  
18 government, business, education, and neighbors. They operate  
19 without journalists working to keep them informed, uncover  
20 truth, expose corruption, and share common goals and  
21 experiences.

22 (d) Over the past 10 years, newspaper advertising has  
23 decreased 66%, and newsroom staff has declined 44%.

1 (e) Ethnic media has long been a distinctive genre of  
2 journalism and communications, informing, engaging, and  
3 advocating on behalf of communities underserved by both the  
4 for-profit and not-for-profit general media market. It plays a  
5 unique role in upholding the fourth estate in our democracy by  
6 facilitating cross-racial and cross-ethnic communications to  
7 facilitate social integration, promote civic engagement, and  
8 address inequalities among all of the underserved communities.

9 (f) Given the important role of ethnic media, it is  
10 critical to advance State policy that ensures their publishers  
11 are justly compensated for the content they create and  
12 distribute. An example is the historic preamble, "We Wish to  
13 Plead Our Own Cause," a document penned by the  
14 African-American journalist and abolitionist Samuel Cornish in  
15 1827. It marked a significant milestone in the history of the  
16 Black press as it highlighted the urgent need for African  
17 Americans to have their own platform to voice their  
18 grievances, advocate for their rights, and challenge racial  
19 inequality. This call to action spurred the establishment of  
20 numerous Black-owned newspapers and publications, solidifying  
21 the role of the Black press as a powerful tool for empowerment  
22 and social change, and laid the groundwork in our country for  
23 other ethnic media to plead their own cause.

24 (g) Quality local journalism is key to sustaining civic  
25 society, strengthening communal ties, and providing  
26 information at a deeper level that national outlets cannot

1 match.

2 (h) When surveyed, 73% of adults in the United States say  
3 they have confidence in their local newspaper.

4 Section 10. Definitions. As used in this Act:

5 "Access" means to acquire, to crawl, or to index content.

6 "Advertising revenue" means revenue generated through the  
7 sale of digital advertising impressions that are served to  
8 customers in this State through an online platform, regardless  
9 of whether those impressions are served on websites or  
10 accessed through online or mobile applications.

11 "Covered platform" means an online platform that, at any  
12 point during a 12-month period, either:

13 (1) has at least 50,000,000 United States-based  
14 monthly active users or subscribers on the online  
15 platform; or

16 (2) is owned or controlled by a person that either  
17 has:

18 (A) net annual sales in the United States or a  
19 market capitalization greater than \$550,000,000,000,  
20 adjusted annually for inflation on the basis of the  
21 Consumer Price Index published by the United States  
22 Bureau of Labor Statistics; or

23 (B) at least 1,000,000,000 worldwide monthly  
24 active users on the online platform.

25 "Covered platform" does not mean an organization exempt

1 from federal income taxation under Section 501(c)(3) of the  
2 Internal Revenue Code of 1986.

3 "Eligible broadcaster" means a person that:

4 (1) holds or operates under a license issued by the  
5 Federal Communications Commission under 47 U.S.C. 301 et  
6 seq.;

7 (2) engages professionals to create, edit, produce,  
8 and distribute original content concerning local,  
9 regional, national, or international matters of public  
10 interest through activities, including conducting  
11 interviews, observing current events, analyzing documents  
12 and other information, or fact checking through multiple  
13 firsthand or secondhand news sources;

14 (3) updates its content on at least a weekly basis;  
15 and

16 (4) uses an editorial process for error correction and  
17 clarification, including a transparent process for  
18 reporting errors or complaints to the station.

19 "Eligible digital journalism provider" means an eligible  
20 publisher or eligible broadcaster that discloses its ownership  
21 to the public.

22 "Eligible publisher" means a person that publishes a  
23 qualifying publication.

24 "News journalist" means a natural person who:

25 (1) is employed for an average of at least 30 hours per  
26 week during a calendar year by an eligible digital

1 journalism provider; and

2 (2) is responsible for gathering, developing,  
3 preparing, directing the recording of, producing,  
4 collecting, photographing, recording, writing, editing,  
5 reporting, designing, presenting, distributing, or  
6 publishing original news or information that concerns  
7 local, regional, national, or international matters of  
8 public interest.

9 "Notifying eligible digital journalism provider" means an  
10 entity that has provided notice to a covered platform as  
11 described in Section 15 that the entity is an eligible digital  
12 journalism provider.

13 "Online platform" means a website, online or mobile  
14 application, digital assistant, or online service that:

15 (1) accesses news articles, works of journalism, or  
16 other content, or portions thereof, generated, created,  
17 produced, or owned by an eligible digital journalism  
18 provider; and

19 (2) aggregates, displays, provides, distributes, or  
20 directs users to content described in paragraph (1) of  
21 this definition.

22 "Qualifying publication" means a website, online or mobile  
23 application, or other digital service that:

24 (1) does not primarily display, provide, distribute,  
25 or offer content generated, created, produced, or owned by  
26 an eligible broadcaster;

1 (2) provides information to an audience in this State;

2 (3) performs a public information function comparable  
3 to that traditionally served by newspapers and other  
4 periodical news publications;

5 (4) engages professionals to create, edit, produce,  
6 and distribute original content concerning local,  
7 regional, national, or international matters of public  
8 interest through activities, including conducting  
9 interviews, observing current events, analyzing documents  
10 and other information, or fact checking through multiple  
11 firsthand or secondhand news sources;

12 (5) updates its content at least 52 weeks in a  
13 calendar year;

14 (6) has an editorial process for error correction and  
15 clarification, including a transparent process for  
16 reporting errors or complaints to the publication; and

17 (7) meets any of the following criteria:

18 (A) generated at least \$100,000 in annual revenue  
19 from its editorial content in the previous calendar  
20 year;

21 (B) had an International Standard Serial Number  
22 assigned to an affiliated periodical before submitting  
23 notice to a covered platform under Section 15; or

24 (C) is owned or controlled by an organization  
25 exempt from federal income taxation under Section  
26 501(c)(3) of the Internal Revenue Code of 1986;

1 (8) has at least 25% of its editorial content  
2 consisting of information about topics of current local,  
3 regional, national, or international public interest; or

4 (9) is not controlled, or wholly or partially owned  
5 by, an entity that:

6 (A) is a foreign power or an agent of a foreign  
7 power, as those terms are defined in 50 U.S.C. 1801;

8 (B) is designated as a foreign terrorist  
9 organization under 8 U.S.C. 1189;

10 (C) is a terrorist organization, as defined in 8  
11 U.S.C. 1182;

12 (D) is designated as a specially designated global  
13 terrorist organization under federal Executive Order  
14 13224;

15 (E) is an affiliate of an entity described in  
16 subparagraph (1), (2), (3), or (4); and

17 (F) has been convicted of violating, or attempting  
18 to violate 18 U.S.C. 2331, 2332b, or 2339A.

19 "Representative" means a labor organization designated as  
20 the exclusive bargaining representative of news journalists or  
21 support staff for the purposes of collective bargaining in  
22 accordance with State or federal law.

23 "Support staff" means a natural person who performs  
24 nonexecutive functions, including payroll, human resources,  
25 fundraising and grant support, advertising and sales,  
26 community events and partnerships, technical support,

1 sanitation, and security.

2 Section 15. Notice requirements for journalism usage fee  
3 payments.

4 (a) On or before January 1, 2025, all eligible digital  
5 journalism providers that want to receive journalism usage fee  
6 payments under this Act shall submit notice to a covered  
7 platform as described in subsection (b). All eligible digital  
8 journalism providers that submit the notice shall receive  
9 journalism usage fee payments from covered platforms as  
10 described in Section 20 beginning no later than 30 days after  
11 the end of the arbitration process described in Section 25.  
12 Digital journalism providers may provide notice to a covered  
13 platform as described in subsection (b) after the initial  
14 arbitration has concluded; however, notice received from an  
15 eligible digital journalism provider after January 1, 2025,  
16 shall not prompt any adjustment to the percentage of  
17 advertising revenue that has previously been determined under  
18 the most recent arbitration proceeding conducted as described  
19 in Section 25.

20 (b) The notice described in subsection (a) shall:

21 (1) identifies the eligible digital journalism  
22 provider and the authorized representative of the eligible  
23 digital journalism provider;

24 (2) certifies, not under penalty of perjury, that the  
25 eligible digital journalism provider reasonably believes

1 that it is either an eligible broadcaster or an eligible  
2 publisher; and

3 (3) identifies the root uniform resource locators for  
4 the websites associated with the eligible digital  
5 journalism provider's digital content.

6 (c) No later than 30 days after submitting a notice  
7 described in subsection (b), the eligible digital journalism  
8 provider shall distribute a copy of the notice to the news  
9 journalists and support staff that it employs and their  
10 representatives, if any, and publish a copy of the notice  
11 online in a text-searchable format.

12 (d) No later than 30 days after the deadline described in  
13 subsection (a), or after receiving a notice as described in  
14 subsection (a), the covered platform shall send a reply notice  
15 to the authorized representative identified in subsection (b)  
16 to acknowledge the receipt of the notice.

17 (e) A covered platform that receives as described in  
18 paragraph (b) may, within 30 days after receiving the notice,  
19 challenge:

20 (1) the sufficiency of the notice; and

21 (2) the noticing party's qualification as an eligible  
22 digital journalism provider.

23 Section 20. Compensation methods. A covered platform  
24 shall:

25 (1) annually compensate digital journalism providers

1 for accessing the websites of the digital journalism  
2 providers, with the compensation annually adjusted for  
3 increases in the Consumer Price Index for All Urban  
4 Consumers for all items published by the United States  
5 Department of Labor and annually distributed to the  
6 digital journalism providers as follows:

7 (A) no less than 1% of this amount shall be paid to  
8 digital journalism providers that would receive less  
9 than \$25,000 under paragraph (B), to be distributed  
10 annually on a pro rate basis among those digital  
11 journalism providers, in addition to the amount those  
12 digital journalism providers would receive under to  
13 paragraph (B); and

14 (B) proportionally by the number of news  
15 journalists and, subject to Section 35, freelancers,  
16 who, in the previous calendar year, were employed by  
17 each qualifying publication for the purpose of  
18 producing content in Illinois that was accessed by a  
19 platform; or

20 (2) participate in a final arbitration process as  
21 described in Section 25 and fully pay the arbitration  
22 award, if any, within 30 days after the award.

23 Section 23. Distributions.

24 (a) A covered platform shall make distributions as  
25 described in Section 20 either by:

1           (1) selecting an approved claims administrator. In  
2 selecting an approved claims administrator the covered  
3 platform shall ensure that the approved claims  
4 administrator is well-qualified to perform the  
5 distribution and has administered multiple settlements in  
6 the State of Illinois that comply with complex civil  
7 litigation class action settlement guidelines in at least  
8 2 State or federal courts in Illinois. The costs of  
9 selecting an approved claims administrator to administer  
10 the distributions shall be in addition to the amount  
11 established in Section 20.

12           (2) distributing payments to digital journalism  
13 providers itself, the costs of which shall be in addition  
14 to the amount specified in Section 20.

15           (b) A final arbitration award under Section 25 to a  
16 jointly participating group of digital journalism providers  
17 shall be distributed proportionally by the number of news  
18 journalists and, subject to Section 35, freelancers, who, in  
19 the previous calendar year, were employed by each qualifying  
20 publication for the purpose of producing content in Illinois  
21 that was accessed by a covered platform.

22           Section 25. Arbitration.

23           (a) The percentage of the covered platform's advertising  
24 revenue remitted to notifying eligible digital journalism  
25 providers shall be determined as described in this Section.

1 Eligible digital journalism providers shall jointly  
2 participate in the final-offer arbitration process described  
3 in this Section with each covered platform to determine a  
4 single percentage of advertising revenue from which the  
5 distributions described in Section 23 will be allotted.

6 (b) Within 10 days after the receipt of the reply notice  
7 required by subsection (d) of Section 15, an eligible digital  
8 journalism provider may initiate, under Rule R-4 of the  
9 American Arbitration Association's Commercial Arbitration  
10 Rules and Mediation Procedures, a final-offer arbitration  
11 against the covered platform for an arbitration panel to  
12 determine the percentage of the covered platform's advertising  
13 revenue remitted to the notifying eligible digital journalism  
14 providers.

15 (c) The arbitration procedure authorized by this  
16 subsection shall commence 10 days after the receipt of the  
17 reply notice described in subsection (d) of Section 15.

18 (d) The arbitration procedure authorized by this  
19 subsection shall be decided by a panel of 3 arbitrators under  
20 the American Arbitration Association's Commercial Arbitration  
21 Rules and Mediation Procedures and the American Arbitration  
22 Association-International Centre for Dispute Resolution Final  
23 Offer Arbitration Supplementary Rules, except to the extent  
24 they conflict with this Section.

25 (e) The covered platform and the eligible digital  
26 journalism providers shall each pay one-half of the cost of

1 administering the arbitration proceeding, including arbitrator  
2 compensation, expenses, and administrative fees.

3 (f) The arbitrators shall be appointed in accordance with  
4 the American Arbitration Association's Commercial Arbitration  
5 Rules and Mediation Procedures.

6 (g) During a final-offer arbitration proceeding under this  
7 Section, all of the following shall apply:

8 (1) Eligible digital journalism providers and the  
9 covered platform may demand the production of documents  
10 and information that are non-privileged, reasonably  
11 necessary, and reasonably accessible without undue  
12 expense. Documents and information shall be exchanged no  
13 later than 30 days after the date the demand is filed.

14 (2) Rules regarding the admissibility of evidence  
15 under the American Arbitration Association's Commercial  
16 Arbitration Rules and Mediation Procedures shall apply.

17 (3) Eligible digital journalism providers and the  
18 covered platform shall each submit a final-offer proposal  
19 for the remuneration that the eligible digital journalism  
20 providers should receive from the covered platform for  
21 access to the content of the eligible digital journalism  
22 providers during the period under arbitration based on the  
23 value that access provides to the platform. The  
24 final-offer proposals shall include backup materials  
25 sufficient to permit the other party to replicate the  
26 proffered valuation.

1           (4) A final-offer proposal under this Section shall  
2           not address whether or how the covered platform or any  
3           eligible digital journalism provider displays, ranks,  
4           distributes, suppresses, promotes, throttles, labels,  
5           filters, or curates the content of the eligible digital  
6           journalism providers or any other person.

7           (h) No later than 60 days after the date proceedings begin  
8           as described in subsection (c), the arbitration panel shall  
9           determine the percentage of the covered platform's advertising  
10          revenue remitted to notifying eligible digital journalism  
11          providers from a final offer from one of the parties without  
12          modification.

13          (1) In making a determination, the arbitration panel  
14          shall:

15                 (A) refrain from considering any value conferred  
16                 upon any eligible digital journalism provider by the  
17                 covered platform for distributing or aggregating its  
18                 content as an offset to the value created by that  
19                 eligible digital journalism provider, unless the  
20                 covered platform does not automatically access and  
21                 extract information from an eligible digital  
22                 journalism provider's website;

23                 (B) consider past incremental revenue  
24                 contributions as a guide to the future incremental  
25                 revenue contribution by any eligible digital  
26                 journalism provider;

1 (C) consider the pricing, terms, and conditions of  
2 any available, comparable commercial agreements  
3 between parties granting access to digital content,  
4 including pricing, terms, and conditions relating to  
5 price, duration, territory, and the value of data  
6 generated directly or indirectly by the content  
7 accounting for any material disparities in negotiating  
8 power between the parties to those commercial  
9 agreements;

10 (D) if submitted with a final-offer proposal,  
11 consider the eligible digital journalism provider's  
12 previous compliance with Section 40, if applicable;  
13 and

14 (E) issue a standard binding arbitration award of  
15 the percentage of the covered platform's advertising  
16 revenue remitted to notifying eligible digital  
17 journalism providers.

18 (2) Any party to the arbitration proceeding may elect  
19 to appeal the decision of the arbitration panel as  
20 described in subsection (j) on the grounds of a procedural  
21 irregularity.

22 (i) If the covered platform and any eligible digital  
23 journalism providers have given notice under Section 15 reach  
24 a settlement in lieu of arbitration, the settlement shall not  
25 waive the eligible digital journalism provider's obligations  
26 as described in Section 40 and shall not settle for an amount

1 other than the final-offer proposals submitted by the parties  
2 as described in paragraph (3) of subsection (g).

3 (j) No fewer than 24 months after the end of an arbitration  
4 proceeding, any party to the proceeding may elect to restart  
5 the arbitration process.

6 Section 30. Non-retaliation.

7 (a) A covered platform shall not retaliate against an  
8 eligible digital journalism provider for asserting its rights  
9 under this Act by refusing to index content or changing the  
10 ranking, identification, modification, branding, or placement  
11 of the content of the eligible digital journalism provider on  
12 the covered platform.

13 (b) An eligible digital journalism provider that is  
14 retaliated against may bring a civil action against the  
15 covered platform.

16 (c) This Section does not prohibit a covered platform  
17 from, and does not impose liability on a covered platform for,  
18 enforcing its terms of service against an eligible journalism  
19 provider.

20 Section 35. Funding for journalists and support staff.

21 (a) An eligible digital journalism provider shall spend at  
22 least 70% of funds received under this Act on news journalists  
23 and support staff employed by the eligible digital journalism  
24 provider, except that an eligible digital journalism provider

1 with 5 or fewer employees shall spend at least 50% of funds  
2 received under this Act on news journalists and support staff  
3 employed by the eligible digital journalism provider.

4 (b) No later than 30 days after the end of an arbitration  
5 proceeding described in Section 25 or upon reaching a  
6 settlement in lieu of an arbitration proceeding, the eligible  
7 digital journalism provider shall provide notification in  
8 writing of its plan to comply with subsection (a) to the news  
9 journalists and support staff employed by the eligible digital  
10 journalism provider and any representatives of those news  
11 journalists or support staff.

12 (c) The eligible digital journalism provider's plan to  
13 comply with subsection (a) shall include a good faith estimate  
14 of the number of news journalists and support staff, if any,  
15 expected to be hired, details regarding proposed compensation  
16 adjustments, if any, and a disclosure if either hiring or  
17 compensation adjustments are not expected.

18 Section 40. Reporting requirements.

19 (a) No later than one year after the end of an arbitration  
20 proceeding described in Section 25 or reaching a settlement in  
21 lieu of an arbitration proceeding, and each year thereafter,  
22 the eligible digital journalism provider shall compile a  
23 report that includes:

24 (1) an attestation as to whether the eligible digital  
25 journalism provider has complied with subsection (a) of

1 Section 35;

2 (2) the text of the digital journalism provider's plan  
3 to comply with subsection (a) of Section 35;

4 (3) the total number of journalism usage fees received  
5 from covered platforms;

6 (4) the name of each covered platform paying the  
7 eligible digital journalism provider a journalism usage  
8 fee and a description of how the eligible digital  
9 journalism provider spent the journalism usage fee  
10 payment, including any amount of journalism usage fees  
11 remaining unspent; and

12 (5) the total number of news journalists and support  
13 staff employed by the eligible digital journalism  
14 provider, including the number of news journalists and  
15 support staff hired or terminated during the previous  
16 year.

17 (b) No later than one year after the end of an arbitration  
18 proceeding described in Section 25 or reaching a settlement in  
19 lieu of an arbitration proceeding, and each year thereafter,  
20 the eligible digital journalism provider shall publish a copy  
21 of the report described in subsection (a) online in a  
22 text-searchable format and provide a copy to the news  
23 journalists and support staff employed by the eligible digital  
24 journalism provider, any representatives of those news  
25 journalists or support staff, and the covered platforms paying  
26 journalism usage fees to the eligible digital journalism

1 provider.

2 Section 45. Preservation of rights.

3 (a) Nothing in this Act shall be construed as amending or  
4 repealing the ability of an eligible digital journalism  
5 provider or a covered platform to seek a preliminary or  
6 permanent injunction or any other existing remedy at law or  
7 equity.

8 (b) This Act does not modify, impair, expand, or in any way  
9 alter rights pertaining to the federal Lanham Act (15 U.S.C.  
10 1051 et seq).

11 (c) This Act does not abridge or impair rights otherwise  
12 reserved by news journalists, support staff, or their  
13 representatives according to applicable law or existing  
14 collective bargaining agreements.

15 Section 50. Severability. The provisions of this Act are  
16 severable. If any provision of this act or its application is  
17 held invalid, that invalidity shall not affect other  
18 provisions or applications that can be given effect without  
19 the invalid provision or application.