The Observer

Saturday, May 30, 2020



The Oregon Capitol has been closed amid the coronavirus pandemic and stay-home orders in Oregon.

#### **OUR VIEW**

# Lawmakers need to get answers

regon lawmakers have the opportunity Saturday to question officials about the much-criticized performance of the Employment Department in handling a record number of claims during the shutdown of business activity in the coronavirus pandemic.

And this time, the legislators need to earn their pay.

The agency has responded to about 90% of people submitting applications for unemployment assistance. But tens of thousands of Oregonians still are not receiving assistance. Many just can't get through on the phone. Some were incorrectly informed they needed to reapply for benefits. And in the beginning at least, the state said it would not be able to provide Oregonians with some benefits even though the federal government provided money for it.

Legislators need to get to the bottom of all this, but during a Wednesday session on the situation, that never happened.

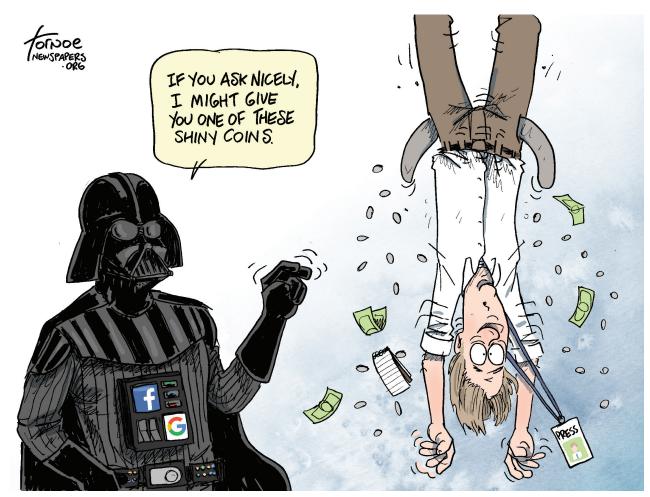
The committee called on Oregon Employment Department Director Kay Erickson to testify, and she and an aide, David Gerstenfeld, sucked up the entire 60 minutes with a Powerpoint presentation. If it wasn't so outrageous, it would have to earn admiration as one of the more impressive bureaucratic filibusters in state legislative history.

Perhaps more outrageous, the committee chairman, Rep. Paul Holvey, D-Eugene, did not allow questions during the hearing.

Is that the kind of legislative leadership Oregonians want? And what does it say about the interest of the Employment Department leadership in listening to what the elected leaders of the state want to know? It's not flattering.

Saturday's hearing — this time a full three hours, from 9 a.m. to noon — is the result of criticism for Wednesday's tone-deaf handling of a major failure of the state.

Lawmakers now need to press for answers, and Oregon Unemployment Department officials need to be frank in their responses. Not listening to legislators, not allowing questions feeds the perception that people in state government care little for the people they truly work for — Oregonians.



#### **OTHER VIEWS**

## Make Facebook and Google pay for local news

or you pick up a copy at a local retailer, you pay for the news and information you receive in your paper's print edition or digital outlets.

But it may surprise you to learn that the multibillion-dollar digital behemoths Facebook and Google don't pay for the enormous amounts

of news content they scoop up from newspapers every second. Facebook doles out a little bit of money through grants and funds to a few publishers - and Google provides some small grants through its News Initiative. While these are positive steps, they in no way make up

for the news content they are using for free.

Newspapers' original reporting, especially on the community news and information that only local papers can provide, drive traffic to Facebook and Google, keeping people on their sites longer and attracting advertisers.

And news is a rich source of revenue for the Big Tech platforms. A 2019 study conducted by the News Media Alliance concluded that news publishers' content makes up 16-39% of Google's search results, which goes largely uncompensated. That figure doesn't include the more intangible benefits that news content, and the data that comes with it, provide the search giant, such as using it for

new product development.

**DEAN RIDINGS** 

AMERICA'S NEWSPAPERS

It's long past time for

Google and Facebook to

do what newspapers and

their subscribers do: Pay

for the local news that

benefits them so richly.

The irony is that the news and content that newspapers pay journalists to provide is used by Google and Facebook to steadily drive advertising revenue away from newspapers, and into their coffers. The two digital giants now gobble up 60% of all online advertising in the United

States — an amount certain to increase with the cratering of newspaper ad revenue caused by the coronavirus pandemic. Facebook and Google don't have reporters or the associated expense. They rely on small and large newspapers to feed their search results.

Here's why this patently unfair situation should concern you and your community: It now threatens the existence of some local newspapers, the source of news and information that underpins democracy and civic life itself.

It's long past time for Google and Facebook to do what newspapers and their subscribers do: Pay for the local news that benefits them so richly.

There are ways for that to happen. Ideally, Google and Facebook would take the responsibility and voluntarily propose a method to share revenue with newspapers and other news organizations. They already pay licensing fees to music publishers, for instance

Realistically, though, the two behemoths will have to be forced to a solution. America's Newspapers, an association of some 1,500 newspapers including many operated by families for multiple generations, along with the News Media Alliance and other media associations have urged Congress to pass the Journalism Competition and Preservation Act, allowing newspaper publishers as a group to negotiate rates with Big

Other nations around the world have taken notice of the ill effect the market dominance of Google and Facebook has on the viability of independent journalism. Australia is now developing a code that would require Google and Facebook to compensate news organizations when their content is used in the digital giants' news products. Similarly, France just ordered Google to negotiate with news publishers over pay for news content.

This public health crisis has demonstrated the importance of the reporting of local newspapers, even as it has wreaked economic havoc on them, forcing layoffs and even silencing printing presses on some days. Requiring Google and Facebook to pay their fair share for news would go a long way to restoring the long-term health of your local newspaper.

#### About the Author

Dean Ridings is CEO of America's Newspapers, an alliance of local newspapers and related establishments committed to explaining, defending and advancing the vital role of newspapers in democracy and civil life.

#### **OUR VIEW**

## Oregon Legislature should be making tough budget choices

regon's general fund budget may take a \$2.7 billion hit in this current budget cycle. Oregon cannot legally have a budget deficit. How will the state cut that money?

There are essentially two ways. The governor can do across-the-board cuts. Legislators could choose to let that stick or they can come up with their own plan.

The governor and legislators should work together to come up with something more discriminating than across-the-board cuts. That's what we elect them for — to set priorities and make those tough decisions.

Gov. Kate Brown already asked state agencies to make plans to cut their budgets by 17%. That may be slightly more than what is needed, but the plans will be a good starting point for discussion.

Since 2002, governors on five occasions have used what's called allotment

reduction due to recessions. Allotment reduction is just the official name for across-the-board cuts. But when the governor does that, the governor can't pick and choose.

The assumption must be that all general fund budget allotments have the same priority and each gets cut by the same percentage. Some parts of state government actually can't get cut under this process. For instance, the secretary of state, the state treasurer, the

lottery, public universities and the judicial branch are exempt.

It also gets complicated because agencies do get some discretion in implementing cuts. An agency doesn't need to spread them out equally within an appropriation from the general fund. It could decide certain departments could get cut and others would not.

If the Legislature is convened, it has much more authority to fine tune any

cuts. It could fully eliminate a program or service that had been authorized. That can't be done without the Legislature.

The Legislature also could, for instance, decide that it would be silly to cut anything from the state's employment department at this time because the agency has had so much trouble meeting the demand for unemployment payments.

Additionally, the Legislature has the authority to

Regional circulation director ......

Reporter....

cut spending for any entity under its budget power and can eliminate jobs and positions.

Oregon does have about \$1.6 billion in rainy day funds, and Congress may take more action to help states. Regardless, the state will have some tough decisions to make. Because the Legislature has the power to more precisely decide how Oregon will respond to the budget challenge, the Legislature should convene to do so.

. Devi Mathson

. Amanda Fredrick

..Juli Bloodgood

...Dorothy Kautz

.... Amy Horn

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## Phone: 541-963-3161

Toll free (Oregon): 1-800-781-3214 Fax: 541-963-7804 Email: news@lagrandeobserver.com Website: www.lagrandeobserver.com Street address: 911 Jefferson Ave., La Grande POSTMASTER

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