

SB 5400 -- Redline

Substitute to Bill -- Supporting local news journalism.

Deletions ~~struck~~ · Insertions underlined

~~S-1565-1~~~~S-0693.3~~ SUBSTITUTE SENATE BILL 5400 State of Washington 69th Legislature 2025 Regular Session By ~~Senate Labor & Commerce (originally sponsored by~~ Senators Liias, Boehnke, Chapman, Cortes, Frame, Krishnadasan, Lovelett, Lovick, Orwall, Riccelli, Saldana, Shewmake, and ~~Valdez)~~Valdez ~~READ~~Read ~~FIRST~~first ~~TIME~~time ~~02/18/25-01/21/25.~~

Referred to Committee on Labor & Commerce.

addingreenacting nowand sectionsamending toRCW chapter43.79.195 43.330and RCW;82.04.299;
and adding a new sectionsections to chapter ~~82.04~~43.330 ~~RCW;RCW.~~
and providing an effective date.

1 ~~SSB~~SB 5400 (5) Ethnic media has long been a distinctive genre of journalism and communications, informing, engaging, and advocating on behalf of communities underserved by both the for-profit and not-for-profit general market media.

(1) The Washington local news ~~sustainability~~journalism corps program is established within the department.

~~(3)(a)~~(3) Applicants eligible for grants under this chapter must meet all of the following requirements:

~~(i)~~(a) Be an eligible news journalism provider;

2 ~~SSB~~SB 5400 ~~(ii)(b) ExceptEmploy for applicants that are eligible publishers of newspapers under section 5(5)(a) of this act, employ~~ at least three news journalists in Washington state per quarter in the four calendar quarters prior to receiving a grant from the department.

~~(b)(4) ExceptIf for applicants that are eligible publishers of newspapers under section 5(5)(a) of this act, if an eligible news journalism provider fails to meet eligibility requirements in subsection~~

~~(3)(a)(ii)(3)(b)~~ of this section solely because they only employ two news journalists working in Washington state, they may qualify for a grant if they have employed at least two news journalists in Washington state per quarter in the eight calendar quarters prior to receiving a grant from the department.

~~(c)(5) AnThe eligibledollar publisheramount of aeach newspapergrant coveredawarded under to sectionan 5(5)(a)applicant ofmust thisbe actin mayan qualifyamount forproportional grantsto underthe thishours chapterworked withoutby meetingjournalists employed by the requirementsapplicant ofas (a)(ii)reported andby (b)the ofapplicant this to subsection.the employment security department.~~

~~(4)(6) TheAn dollarapplication amountfor ofa each grant awardedunder tothis anchapter applicant must be insubmitted anby amount proportional to the hoursapplicant workedin bysuch journalistsform employedand byin theaccordance applicantwith requirements as reporteddetermined by the applicantdirector. to the employment security department.~~

~~(5)(7) An applicationapplicant selected for afunding grant under this chapter mustshall beprovide submitted by the applicantdepartment ininformation suchon formthe andnews incoverage accordancesupported with requirements as determined by thethis director. program.~~

~~(6)The Aninformation applicantshall selectedbe forprovided fundingin under this section must provide progress and final reports as requested by the department,department, but no less frequently than once per biennium.~~

~~(7)(8) The department may consult with civic affairs leaders and local news industry leaders in developing this program.~~

~~p-(a) The person holds or operates under a license issued by the federal communications commission under subchapter III (commencing with section 301), chapter 5 of Title 47, United States Code;~~

~~3(b) SSB 5400 (a)-The person holdsengages orprofessionals operates to undercreate, aedit, licenseand issuedproduce byoriginal thecontent federalconcerning communicationslocal commissioner underregional subchaptermatters III (commencing with section 301), chapter 5 of Titlepublic 47, p. United States Code;~~

~~(b)3 TheSB person5400 engages professionals to create, edit, and produce original content concerning local or regional matters of public interest through activities, including conducting interviews, observing current events, analyzing documents and other information, or fact checking through multiple firsthand or secondhand news sources;~~

(c) The person updates 25 percent of their content on at least a weekly basis;

(a) A legal newspaper as defined in RCW ~~82.04.214-65.16.020;~~

~~However, for the purposes of this chapter, "newspaper" includes publications issued at least once per month;~~

~~p-(iii) The internet website, online or mobile application, or other digital service performs a public information function comparable to that traditionally served by newspapers and other periodical news~~

publications;

~~4(iv) SSB 5400 (iii) The internet website, online or mobile application, or other digital service performs engages a professionals public to information create, function edit, comparable and to produce that original traditionally content served concerning by current newspaper topics and of other local periodical or news regional publications; p.~~

~~(iv) 4 The SB internet 5400 website, online or mobile application, or other digital service engages professionals to create, edit, and produce original content concerning current topics of local or regional public interest through activities, including conducting interviews, observing current events, analyzing documents and other information, or fact checking through multiple firsthand or secondhand news sources;~~

~~p. (D) The entity is designated as a specially designated global terrorist organization under federal Executive Order No.~~

~~5 SSB 5400 (D) The entity is designated as a specially designated global terrorist organization under federal Executive Order No.~~

~~NEW p. SECTION.~~

5 SB 5400 Sec.

~~The RCW local 43.79.195 journalism and investment 2021 account c is 334 created s in 971 the and state 2021 treasury. c 170 s 6 are each reenacted and amended to read as follows:~~

~~All (1) revenues The from workforce the education local journalism investment surcharges account is created in section 7 of this act must be deposited directly into the account. state treasury.~~

All revenues from the workforce investment surcharge created in RCW 82.04.299 and those revenues as specified under RCW 82.04.290(2)(c) must be deposited directly into the account.

~~(2) Expenditures from the account may be used only ((only in for)) accordance as with follows: sections 1 through 5 of this act.~~

NEW (a) SECTION. Beginning July 1, 2026, and each fiscal year thereafter, \$20,000,000 of the funds deposited in the account must be used to support the Washington local news journalism corps program created in section 2 of this act;

and (b) All remaining funds deposited in the account may be used for higher education programs, higher education operations, higher education compensation, state-funded student aid programs, and workforce development including career connected learning as defined by RCW 28C.30.020.

~~((2)) (3) Expenditures from the workforce education investment account must be used to supplement, not supplant, other federal, state, and local funding for higher education.~~

ARCW new 82.04.299 section and is 2022 added c to 170 chapters 82.041 RCW and 2022 c 56 s 4 are each reenacted and amended to read as follows:

(1)(a) Beginning with business activities occurring on or after April 1, 2026, 2020, in addition to the taxes imposed under RCW 82.04.290(2), a local workforce journalism education investment surcharge is imposed on covered select platforms advanced computing businesses.

(b) In Except as provided in (e) of this subsection (1), in no case will the combined surcharge imposed under this subsection (1) paid by all covered members platform of an affiliated group be more than \$6,000,000 (nine million dollars) \$15,000,000 annually.

(d) The surcharge imposed under this subsection (1) must be reported and paid on a quarterly basis in a manner as required by the department. p.

6 SB 5400 department.

~~(2)(e)(i) For To aid in the purposes effective administration of the surcharge in this section, subsection (1), the following department definitions may apply: require persons believed to be engaging in advanced computing or affiliated with a person believed to be engaging in advanced computing to disclose whether they are a member of an affiliated group and, if so, to identify all other members of the affiliated group subject to the surcharge.~~

(a)(ii) "Access" If means the department establishes, by clear, cogent, and convincing evidence, that one or more members of an affiliated group, with intent to acquire, evade the surcharge under this subsection (1), failed to crawl, fully comply with this subsection (1)(e), the department must assess against that person, or those persons collectively, a penalty equal to index fifty content, percent of the amount of the total surcharge payable by all members of that affiliated group for the calendar year during which the person or persons failed to fully comply with this subsection (1)(e).

~~(b)(i) The "Covered penalty platform" under means this all subsection (1)(e) is in lieu of the and businesses not in this addition state to who the evasion penalty under RCW 82.32.090(7).~~

~~p. (f) For the purposes of this subsection (1) the following definitions apply:~~

6(i) SSB "Advanced 5400 computing" (A) means Had designing gross or income developing subject computer to software the or tax computer imposed hardware, under whether this directly section equal to or greater contracting than with \$5,000,000 another in person, the including: immediately preceding calendar year;

~~and Modifications (B) to Are computer a software social media platform or search computer engine hardware;~~
~~(ii) cloud "Covered computing platform" services; does not mean an organization exempt from federal income taxation pursuant to 26 U.S.C.~~

or operating as a marketplace facilitator as defined by RCW 82.08.0531, an online search engine, or online social networking platform;

(ii) "Affiliate" and "affiliated" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person;

(iii) "Affiliated group" means a group of two or more persons that are affiliated with each other;

(iv) "Cloud computing services" means on-demand delivery of computing resources, such as networks, servers, storage, applications, and services, over the internet;

(v) "Control" means the possession, directly or indirectly, of more than fifty percent of the power to direct or cause the direction p.

7 SB 5400 of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise;

and (vi) "Select advanced computing business" means a person who is a member of an affiliated group with at least one member of the affiliated group engaging in the business of advanced computing, and the affiliated group has worldwide gross revenue of more than twenty- five billion dollars during the immediately preceding calendar year.

A person who is primarily engaged within this state in the provision of commercial mobile service, as that term is defined in 47 U.S.C.

501(c)(3)332 of (d)(1), the shall federal not internal be revenue considered code, a select advanced computing business.

~~(c) A "Search person engine" who means is a primarily website, engaged application, in or this internet state based in service the that operation provides and links provision of access to publicly transmission accessible facilities web and pages infrastructure that the person owns or other leases relevant for information the in transmission response of to voice, data, text, sound, and video using wired telecommunications networks shall not be considered a user's select query, advanced computing business.~~

"Search A engine" person does that not is include primarily services engaged in business as a "financial institution" as defined in RCW 82.04.29004, as that allow section user existed to on query January only 1, the 2020, internal shall content not of be considered a specific select site advanced or computing service, business.

~~(d)(i) For "Social purposes media of platform" this means subsection a(1)(f)(vi), website, "primarily" application, is or determined internet-based based service on that; gross income of the business.~~

~~(A)(2)(a) Allows The users workforce to education register investment an surcharge account under or this profile section for does the not purpose apply of to: interacting socially with other users through the service; and (B) Allows users to create, share, and view content through their account or profile.~~

Such (i) content Any may hospital include as text, defined links, in photos, RCW audio, 70.41.020, or including video, any hospital that comes within the scope of chapter 71.12 RCW if the hospital is also licensed under chapter 70.41 RCW;

or (ii) "Social A media provider platform" clinic does offering not primary include care, services multispecialty that and predominantly surgical or services, exclusively including facilitate behavioral electronic health mail services, or and direct any messaging affiliate services, of online the gaming, provider reviews clinic of if businesses the or affiliate products, is technical an support, organization academic that research, offers or health other care services that or provides not administrative predominantly support for a provider clinic, or exclusively is facilitate an social independent interaction, practice association or accountable care organization.

~~(3)(b) Revenues The from exemptions the surcharge under this section subsection must (2) be do deposited not directly apply into to the amounts local received journalism by investment any account member created of in an section affiliated a group other than the businesses described in (a) of this act, subsection.~~

(c) For purposes of the exemption in (a)(ii) of this subsection:

(i) "Health care services" means services offered by health care providers relating to the prevention, cure, or treatment of illness, injury, or disease.

p.

8 SB 5400 (ii) "Primary care" means wellness and prevention services and the diagnosis and treatment of health conditions.

(3) Revenues from the surcharge under this section must be deposited directly into the workforce education investment account established in RCW 43.79.195.

Section Sections 71 through 5 of this act takes are effect each January added 1, to 2026, chapter 43.330 RCW and codified with the subchapter heading of "SUPPORTING LOCAL NEWS JOURNALISM." --- END --- p.

NEW 9 SECTION, SB 5400

Sec.

~~9.~~

~~Sections 1 through 6 of this act are each added to chapter 43.330 RCW and codified with the subchapter heading of "SUPPORTING LOCAL NEWS JOURNALISM." --- END --- p.~~

~~7 SSB 5400~~