

May 6, 2026

California Civic Media Program Advisory Board
Governor's Office of Business and Economic Development
1325 J Street, Suite 1800
Sacramento, CA 95814

RE: Public Comment — Strong Opposition to Field-Building Model and Any Hybrid Approach

Dear Advisory Board Members and Director Myers:

We write on behalf of The Ark, an independently owned, award-winning weekly community newspaper that has served the residents of Tiburon, Belvedere and Strawberry in Marin County since 1973. We have submitted public comment to this board at each of its two previous meetings. We write again having now reviewed the transcript of the April 3 meeting, at which two allocation models were presented — a weighted pro rata approach and a so-called “field-building” project grant model — along with the possibility of a hybrid combining elements of both.

We strongly oppose the field-building model in its entirety. We oppose any hybrid approach that incorporates project-grant elements. We urge the board to recommend a straightforward pro rata distribution based on qualifying journalist headcount, and we urge GO-Biz to act on that recommendation without modification.

This money is not a grant. It is restitution. The California Civic Media Program is funded by two sources: \$10 million from the state of California and \$10 million from Google, contributed as part of the resolution of the decades-long dispute over Google's monetization of news content produced by the newsrooms this program is intended to serve. That origin is not incidental to the question of how funds should be distributed. This is not a discretionary philanthropic appropriation to be steered toward the most innovative projects or the organizations best positioned to propose them. It is, in substantial part, compensation owed to the newsrooms that produced the content from which Google profited — a partial return on value extracted without consent or payment over many years.

Asking newsrooms to compete for this money through project proposals fundamentally misunderstands what it is. A court awarding class-action damages does not require plaintiffs to submit project proposals and compete for their share. It requires them to demonstrate they qualify for the class — and then distributes proportionally. That is precisely what the pro rata model does, and precisely what the field-building model refuses to do. The Legislature recognized this when it included language in the statute authorizing a pro rata distribution based on journalist headcount for the private funds. Distributing this money through a competitive grant process would compound the original injury: first the revenue was taken, and now the restitution would be withheld from those most harmed because they lacked the administrative capacity to write a compelling application.

The field-building model fails on its own terms. The explicit premise of the field-building model — that newsrooms should compete by proposing projects in categories like “product development, sustainability and business infrastructure and community engagement” — is that organizations capable of identifying, articulating and executing such projects deserve priority access to these funds. We submit that this premise is precisely backward.

A community newspaper with the staff, administrative bandwidth and organizational development capacity to produce polished grant proposals and commit editorial resources for infrastructure projects is a newspaper that is managing. A weekly paper whose editor is simultaneously an owner, a reporter, a photographer, the graphic designer, the page designer, the web manager and a share of the business operation is not competing in that arena — not because the journalism is less valuable, but because every hour spent on a grant application is an hour not spent covering the school board meeting, the planning commission hearing or the police chief’s press conference. The field-building model does not identify the newsrooms most in need of support. It identifies the newsrooms with the most administrative capacity, which is very nearly the opposite.

The community papers we are describing are not hypothetical. The Ark is one of them. So are dozens of California weeklies where a handful of people keep a publication alive not through organizational sophistication but through an irrational commitment to the communities they cover.

Member Cushman said it plainly at the April 3 meeting: “I guess I’m a little dumbstruck, because this isn’t exactly what I imagined us to be doing today. ... A pro rata distribution based on the headcount in the newsroom is what I was anticipating, and I think that certainly is in the spirit of the legislation as it was drafted.” We agree entirely, and we are grateful that his voice has been present in this discussion.

Two structural conflicts the board should acknowledge: The field-building model was not introduced by board members — it was presented by Kiana Williamson of the James B. McClatchy Foundation, which noted at the April 3 meeting that “as a (third-party administrator), this is the model we’re most familiar with.” We do not question the foundation’s commitment to the program’s mission. But an administrator expressing an institutional preference — before the board has voted on a direction — for the model it already knows how to run is a structural concern that deserves acknowledgment. The program’s arm’s-length contracting structure was specifically designed to protect press independence. That protection is undermined when the entity being paid to administer the funds advocates for a distribution model based on its own operational familiarity rather than the board’s direction.

The second conflict involves board composition. Three members whose organizations are funded partners in the Propel Initiative — Members Do (American Community Media), Wilson (California Black Media) and Carmona (Latino Media Collaborative) — expressed support at the April 3 meeting for hybrid models that include grant-making elements. The Propel Initiative, administered through separate state appropriations in partnership with the Maynard Institute for Journalism Education, already operates exactly the kind of field-building, project-grant, capacity-building program now being proposed as one model for the Civic Media Program. Their organizations are already funded and operationally structured to administer and compete for that kind of program. We do not question their motives. But the structural alignment between their institutional interests and their policy preferences is real, and the board should acknowledge it openly.

It is telling that the voices most consistently aligned with the legislative intent at the April 3 meeting were the board's publisher representatives — particularly Member Cushman — rather than members appointed to represent independent and community media. That a CNPA-appointed publisher has had to carry this argument at the board table reflects a board composition that has left the independent community weeklies this program was designed to serve without a direct voice in its design. The California Independent News Alliance sought representation on this board from the beginning. The drift of the April 3 discussion toward models that serve neither the statute's intent nor the needs of small independent newsrooms is an unfortunate illustration of why that representation mattered.

Project-based journalism grant programs already exist. California has not neglected project-based journalism funding. The California Local News Fellowship, funded with an initial \$25 million state appropriation and extended with another \$15 million, places early-career journalists in newsrooms across the state through a competitive application process administered by UC Berkeley. The Propel Initiative provides project-based business sustainability and capacity-building grants to California newsrooms through separate state appropriations. These programs are doing important work, and we support them. That work is already funded. The Civic Media Program was designed to do something different.

A hybrid approach resolves nothing. We recognize that support for a hybrid model at the April 3 meeting was broader than any single faction. Members Do, Wilson, Carmona, Kaanon and Patel Liss all expressed some openness to splitting funds between a pro rata approach and a grant-based model — by newsroom size, by public versus private funding source or by other criteria. We take that impulse seriously, and we understand it reflects genuine concern for equity and for the smallest and most underserved outlets.

But a hybrid does not resolve the core tension — it simply divides a sum already insufficient for the task into two smaller pools, one of which will flow to newsrooms through a burdensome process that structurally disadvantages the smallest organizations, and one of which will be diluted by the division. If the board's concern is ensuring that underserved and ethnic media receive adequate support, the tiered pro rata model already addresses that: by weighting the first five journalists at each outlet at \$20,000 before moving to lower tiers, it naturally concentrates the largest per-outlet awards on the smallest newsrooms. A hybrid is not a compromise — it is a concession to the field-building model that comes at the direct expense of the newsrooms with the least capacity to compete for it.

We would also note that if any portion of funds is distributed through a grant-based process, those funds will effectively be administered by an organization that has already disclosed a preference for that model. That is not a neutral outcome.

On the cap: We are aware that Member Glasser argued at the April 3 meeting that a per-outlet cap was not authorized by the statute, and that Director Myers responded that it is not precluded either. We support the cap. Without it, a formula-based model will concentrate awards in the handful of large metropolitan newsrooms with the most journalists, leaving dozens of smaller California communities with nothing. The Legislature's silence on a cap does not mean the program should be designed without one — it means the board and GO-Biz have the discretion to include one, and we urge them to exercise that discretion in favor of the widest possible distribution.

On the geographic allocation framework: The April 3 meeting introduced a geographic allocation framework to divide California into five regions based on the California Jobs First model, distributing funds at roughly 50 cents per resident. We understand the equity rationale, and we do not oppose geographic equity as a program goal.

We do urge the board to ensure that any geographic overlay does not create perverse outcomes — qualifying newsrooms in one region receiving nothing simply because that region’s allocation has been exhausted, while equivalent newsrooms in an underfunded region receive full awards. A well-designed pro rata model already serves geographic equity organically: it distributes funds proportionally to wherever qualifying journalists are actually working. Layering a population-based regional cap on top of that structure adds administrative complexity without improving equity outcomes and may undermine them.

What remains unaddressed: Print reimbursement and the operational threshold. Two of the most consequential requests in our April 1 public comment received no response at the April 3 meeting and appear nowhere in either proposed model.

The first is print reimbursement. CINA proposed allocating 15% of total program funds — approximately \$3 million — as a flat \$8,000 annual reimbursement for qualifying newspapers that publish in print at least every two weeks. We endorsed that proposal in our April 1 comment. The case for it has not changed: newsprint costs represent the single largest variable expense for many small independent papers, and a printed newspaper is a permanent, unalterable public record that cannot be edited, deleted or hidden behind a paywall after publication. Neither the pro rata model nor the field-building model as presented at the April 3 meeting allocates any portion of funds to print production costs. We urge the board to address this omission before guidelines are finalized.

The second is a minimum operating history requirement. CINA proposed limiting eligibility to outlets that have been providing professional journalistic content since at least January 2023. We strongly supported that provision in our April 1 comment. It has not been raised since. Without a minimum operating threshold, the program remains open to entities created opportunistically to capture public funds. We urge the board to adopt the three-year threshold as a baseline eligibility condition.

The pro rata model works. Apply it. The weighted pro rata model described at the April 3 meeting — \$20,000 for each of the first five qualifying journalists, \$15,000 for each journalist beyond the first five, capped at \$250,000 per outlet — is consistent in structure with both the tiered, capped framework proposed by CINA and the retention credit tiers in AB 2222, the Community Newsroom Employment and Workforce Sustainability Act currently advancing in the Legislature. It is simple, auditable, resistant to manipulation and distributable at scale. The weighting toward smaller newsrooms is appropriate and equitable. The cap prevents concentration of funds in large outlets with the resources to absorb losses regardless of this program.

We note, however, that the GO-Biz model as presented omits the contractor tier included in CINA’s original framework, which provided a separate reimbursement for independent contractors paid at least a defined annual threshold by the qualifying newsroom. Community newspapers depend on regular freelance contributors who produce original journalism on a consistent basis but do not meet a 30-hours-

per-week employment threshold. Eliminating the contractor tier entirely — rather than refining it — leaves a significant share of working California journalists outside the program's reach.

We are aware that the April 3 discussion raised legitimate concerns about AB5 and the difficulty of tracking freelance hours. A compensation-based threshold sidesteps that problem entirely. AB5 restricts the classification of workers as independent contractors based on behavioral control — including the direction of how, when and where work is performed — not based on annual compensation totals. A contractor threshold tied to verifiable 1099 filings and a minimum annual payment by the qualifying newsroom requires no tracking of hours, no direction of work product and creates no AB5 exposure. It simply asks: Did this newsroom pay this contractor at least \$X last year? That answer is already documented in tax filings. We urge the board to restore a contractor reimbursement tier on that basis as a condition of the final guidelines.

We urge the board to recommend this model without modification at the May meeting. Every additional month of deliberation is a month in which California's smallest newsrooms continue to operate without the stabilization this program was designed to provide.

Respectfully submitted,

Henriette Corn, owner & publisher
Kevin Hessel, owner & executive editor