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September 8, 2022

Chairman Dick Durbin
Ranking Member Chuck Grassley
Senate Judiciary Committee
Hart Senate Office Building Room 226
Washington, D.C. 20510

Dear Chairman Durbin and Ranking Member Grassley,

On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I would like to share our views ahead of your markup on S. 673, the misnamed Journalism Competition and Preservation Act of 2021.

Supporters of S. 673 claim that the bill would protect the local news industry against large social media platforms by creating competition and saving the news industry. For a period of 4 years following enactment, certain newspapers and local news broadcasters will be exempt from antitrust laws and have the ability to negotiate with online distribution services to determine how their content is disseminated through those services. This legislation abandons current antitrust laws in favor of a handful of well-connected and favored news services by allowing them to collude with one another during their temporary exclusionary period. History demonstrates that previous attempts by the government to prop up certain industries to create competition have fallen short of their goal and created a disparate impact on sections of the industry that are not included in exemptions or exceptions.

I strongly urge the committee to use restraint when seeking to exempt companies from existing law under the premise of creating competition, which is the intent of S. 673. Government favoritism in the form of carveouts from current laws fails to create innovation and competition and there is no reason to believe this attempt will go any differently. Journalism plays a vital role in maintaining freedom of speech, but S. 673 would allow the government to select winners and losers in the news industry. The way in which Americans get their news continues to evolve, and the government should not be using the taxpayers' money to get in the way of what may occur in the future by propping up one segment at the expense of the other. For these reasons, I urge you to oppose S. 673.

Sincerely,

cc: Senate Judiciary Committee Members