

OPPOSE LEGISLATION TO RESTRICT MARKETING AND ADVERTISING

- The United States Senate is currently debating S. 3217, the Restoring American Financial Stability Act of 2010, which includes "aiding and abetting" language that could hold a broadcaster responsible for the content of an ad months or years after the ad has been aired just because the Consumer Financial Protection Bureau (CFPB) later determined it was unfair, abusive or deceptive.
- Last December, the United States House of Representatives passed its version of a financial reform bill, H.R. 4173, the Wall Street Reform and Consumer Protection Act of 2009, that also included "aiding and abetting" language, as well as language that would give the Federal Trade Commission (FTC) expanded authority that would accelerate the process of issuing new rules and make it easier to impose large monetary fines.
- When the Senate completes work on its financial regulatory bill, the House and Senate will work to combine their bills and could possibly agree to grant the FTC and/or the CFPB significant authority to restrict marketing and advertising.
- The proposed legislative changes could allow the FTC or the CFPB to impose large monetary penalties on broadcasters for carrying commercial advertisements that the agency subsequently deems unfair or deceptive.
- This legislation would also make it much easier for the FTC to issue new rules, including rules that define and restrict unfair and deceptive advertising for a broad range of products and services.
- Advertising revenue is critical to stations. Restrictions on advertising that reduce revenues will harm broadcasters' ability to continue serving local communities with vital news and information and valued entertainment programming.
- The potential danger to advertising was demonstrated in December 2009 when the FTC presented tentative guidelines that recommended a ban on advertising hundreds of foods to children under the age of 18. If made permanent, these guidelines would restrict the advertising of many familiar products, including yogurt, vegetable soup, peanut butter and most breakfast cereals.
- If Congress were to give the FTC increased rulemaking authority, the FTC could more easily turn these food advertising guidelines into binding law. This would impact advertising on hundreds of children's, family, sports and entertainment television programs (including those watched by adults) that only appear with the support of advertising revenues.
- It is urgent that you contact your member of Congress today. Explain to them how this legislation is harmful to local broadcast stations and their audiences.
- **Will you oppose legislation that would increase federal agencies' authority to restrict advertising and impose monetary penalties on broadcasters?**