

Political Advertising and the Lowest Unit Charge

Issue

In the 45-day period prior to a primary or caucus, or the 60-day period prior to a general or run-off election, Congress has limited what a radio or television station may charge a political candidate for airtime. Candidates are entitled to a lowest unit charge (LUC) – also referred to as lowest unit rate (LUR) – during these periods, which is the lowest advertising rate “of the station for the same class and amount of time for the same period.” This provides a candidate the benefit of all discounts offered to a commercial advertiser for the same class and amount of time, without regard to the frequency of the candidate’s advertising.

History

Since the enactment of this regulation (Federal Election Campaign Act of 1971), there have been several proposals offered to amend its provisions. In the 111th Congress, legislation was introduced in response to the Supreme Court’s campaign finance ruling – *Citizens United vs. Federal Election Commission* – which included changes to the lowest unit charge. The legislation, known as the DISCLOSE Act, S. 3295, was introduced by Sen. Charles Schumer (NY) and included language to expand the LUC rules. NAB worked to ensure that this same language was not included in the House companion bill. NAB worked with senators and Senate leadership to educate them on the detrimental effects expanding LUC would have on local radio and television stations. The LUC language was ultimately stripped out of S. 3628, the version of the bill brought to the Senate floor on July 27, which failed to get the necessary support to receive debate and consideration.

NAB Position

NAB strongly opposes changes to the lowest unit charge, which would have a serious impact on local broadcasters. The proposed changes in S. 3295 would have penalized small business advertisers and crowded out state and local candidates who are not entitled to the same right to access enjoyed by federal candidates. These changes also raised serious questions under the First Amendment.

Action Needed

Congress should not mandate additional advertising price reductions for federal politicians at the expense of local businesses and other advertisers.

Revised November 2010



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