

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 has been offered in response to the Supreme Court’s campaign finance ruling – *Citizens United vs. Federal Election Commission* – that includes changes to the lowest unit charge. S. 3295, introduced by Sen. Charles Schumer (NY), would for certain advertising that directly refers to federal candidates:

- Expand LUC beyond candidates to now include political parties and political committees;
- Greatly extend the time period by up to 180 days in which to calculate the advertising rate discount;
- Require priority placement of certain federal candidate and political entity ads by making them non-preemptible; and
- Impose new compliance and reporting obligations on stations.

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 penalize small business advertisers and would crowd out state and local candidates who are not entitled to the same right to access enjoyed by federal candidates. These changes also raise 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.

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