

January 27, 2014

Honorable Kevin Mullin
Chair
Vermont Senate Committee on Economic Development, Housing and General Affairs
State Senate
115 State Street
Montpelier, VT 05633

Dear Chairman Mullin:

On behalf of CTIA-The Wireless Association®, the trade association for the wireless communications industry, I write in opposition to Vermont Senate Bill 250, which would restrict how retailers advertise rebates in the state. These restrictions not only micromanage rebate offers, but may lead to increased costs for Vermont businesses and consumers and place the state's businesses at a competitive disadvantage.

New laws in this area are unnecessary. Vermont already has a False Advertising law on the books that makes it illegal to advertise merchandise in an untrue, deceptive, or misleading way.¹ S.250 would require companies to alter national advertising campaigns to comply with Vermont-specific requirements. This will lead to increased compliance costs for companies and may increase prices for consumers, as retailers and merchants seek to recoup the cost of complying with these Vermont-specific requirements. Placing burdensome regulatory mandates on Vermont businesses during these still difficult economic times will undoubtedly have a negative impact.

States bordering Vermont, including New Hampshire, New York, and Massachusetts, do not have the advertising restrictions on rebates that are proposed in S.250. If Vermont retailers and merchants are hindered from offering rebate offers in the state, Vermont citizens wishing to avail themselves of rebated products could easily purchase those products in border states. Consequently, fewer consumer purchases in Vermont would reduce sales tax collections, and retailers in the state would suffer from declining sales. This result would benefit no one.

Although this legislation is well-intentioned, imposing further burdensome regulations on businesses, which may ultimately increase costs to consumers and hinder rebate offerings in the state, is not sound policy. I respectfully ask that you oppose S.250.

Sincerely



Gerard Keegan
Senior Director
State Legislative Affairs

¹ 13 V.S.A. § 2005.