

SEC. 1168. UNSTACKING CREDIT SUISSE SECURITIES V. BILLING.

The Clayton Act ([15 U.S.C. 12 et seq.](#)), as amended by this Act, is further amended by inserting after section 27B the following:

"Sec. 27C. Limitations on implied immunity from the antitrust laws.

"(a) Definitions.—In this section, the term 'antitrust laws' has the meaning given such term in section 1(a) of this Act, except that such term includes section 5 of the Federal Trade Commission Act ([15 U.S.C. 45](#)) to the extent that such section applies to unfair methods of competition.

"(b) In general.—In any action or proceeding to enforce the antitrust laws with respect to conduct that is regulated under Federal statute, no court or adjudicatory body may find that the Federal statute, or any rule or regulation promulgated in accordance with the Federal statute, implicitly precludes application of the antitrust laws to the conduct unless—

"(1) a Federal agency or department actively regulates the conduct under the Federal statute;

"(2) the Federal statute does not include any provision preserving the claims or remedies under the applicable antitrust laws or under any area of law that includes the antitrust laws; and

"(3) Federal agency or department rules or regulations, adopted by rulemaking or adjudication, explicitly require or authorize the defendant to undertake the conduct.

"(c) Existing Federal regulation.—In any action or proceeding described in subsection (b), the antitrust laws shall be applied fully and without qualification or limitation, and the scope of the antitrust laws shall not be defined more narrowly on account of the existence of Federal rules, regulations, or regulatory agencies or departments, unless application of the antitrust laws is precluded or limited by—

"(1) an explicit exemption from the antitrust laws under a Federal statute; or

"(2) an implied immunity that satisfies the requirements of subsection (b)."

Subtitle F—Recognizing Advertising As a Net Negative in Society

SEC. 1171. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds the following:

(1) Congress has long prohibited deceptive acts or practices and false advertisements in commerce, including under [sections 45, 52, and 55 of title 15](#), United States Code;

(2) Congress has long recognized that certain forms of advertising may be restricted or prohibited when necessary to protect public health and welfare, including cigarette advertising over certain electronic media under [section 1335 of title 15](#), United States Code;

(3) Congress has long recognized that outdoor advertising may be regulated to protect safety, recreational value, and natural beauty, including under [section 131 of title 23](#), United States Code;

(4) the Federal tax code should not subsidize efforts to manipulate consumer attention, bias consumer judgment, or increase demand through persuasion rather than by lowering price, improving quality, or providing useful factual information;

(5) large-scale advertising imposes cognitive burdens on the public, contributes to distraction, intrudes into homes, streets, schools, and digital environments, and reduces the practical ability of individuals to avoid unwanted commercial influence;

(6) advertising that targets children and adolescents exploits developmental vulnerabilities and undermines the ability of parents and guardians to guide the development of minors without pervasive commercial interference;

(7) advertising of addictive products and services, including tobacco products, alcoholic beverages, gambling, and other products or services designated by rule, can impose substantial public health, financial, and social harms;

(8) undisclosed sponsorships, paid endorsements, product placements, and influencer promotions can conceal the commercial nature of a communication and mislead the public;

(9) when a commercial communication includes legally required disclosures, such disclosures should inform the public and should not operate as a loophole permitting the public subsidization of promotional advertising through the Federal tax code; and

(10) it is in the interest of the United States to reduce the volume of manipulative commercial advertising, to promote truthful and readily identifiable commercial communications, and to deny Federal tax subsidies for promotional expenditures.

(b) Purpose.—The purposes of this subtitle are—

(1) to deny Federal income tax deductions for advertising and promotional expenditures, except for certain narrowly defined factual nonpromotional communications;

(2) to reduce manipulative, misleading, and intrusive advertising practices;

(3) to protect children and adolescents from targeted and developmentally exploitative commercial influence;

(4) to ensure that commercial communications are truthful, identifiable, and supported by substantiation before dissemination;

(5) to provide effective remedies for misleading advertising, including corrective advertising sufficient to counteract residual false impressions; and

(6) to liberate the mental bandwidth of the American people from the heavy tax that constant advertisement places upon it.

SEC. 1172. NO DEDUCTION FOR ADVERTISING AND PROMOTION.

(a) Amendment to section 162.—Section 162 of the Internal Revenue Code of 1986 ([26 U.S.C. 162](#)) is amended by redesignating subsection (s) as subsection (t) and by inserting before subsection (t) the following:

"(s) Advertising and promotional expenditures.—

"(1) Definitions.—For purposes of this subsection:

"(A) Advertising expenditure.—The term 'advertising expenditure' means any amount paid or incurred for the creation or dissemination of a commercial communication intended to induce the purchase, lease, use, or favorable perception of any product, service, brand, business, trade name, or line of business, except that the term does not include any amount paid or incurred for a factual nonpromotional communication.

"(B) Factual nonpromotional communication.—The term 'factual nonpromotional communication' means a communication that—

"(i) is limited to 1 or more of the following:

"(I) the name, address, telephone number, email address, internet address, or hours of operation of a business;

"(II) the price, availability, objective quantity, objective dimensions, or objective technical specifications of a product or service;

"(III) a legal notice, safety warning, recall notice, operating instruction, ingredient list, label, or other disclosure expressly required by Federal, State, local, or Tribal law, or by order of a governmental authority;

"(IV) a notice regarding a job opening, procurement opportunity, or request for bids;

"(V) a communication on the premises where a product or service is offered for sale that merely identifies the business or product and states price or availability; or

"(VI) such other categories of purely factual nonpromotional communication as the Secretary may provide by regulation, in consultation with the Federal Trade Commission; and

"(ii) does not include any communication that includes—

"(I) a slogan, tagline, or brand-enhancement message;

"(II) a comparative, superiority, or preference claim;

"(III) an emotional, fear-based, or aspirational appeal;

"(IV) an endorsement, testimonial, celebrity appearance, mascot, fictional character, or influencer content;

"(V) an inducement to purchase, other than purely factual purchase instructions; or

"(VI) any other content the principal purpose of which is to persuade rather than to inform.

"(2) In general.—No deduction shall be allowed under subsection (a) for any advertising expenditure.

"(3) No alternative recovery.—No amount for which a deduction is disallowed under this subsection may be capitalized or otherwise recovered through amortization, depreciation, cost of goods sold, basis adjustment, or any other provision of this title, except to the extent expressly provided by the Secretary by regulation.

"(4) Recordkeeping.—Each taxpayer claiming that an amount was paid or incurred for a factual nonpromotional communication shall maintain such books and records as the Secretary may require, including copies of communications, contracts, invoices, and such other information as the Secretary determines appropriate.

"(5) Regulations.—The Secretary shall prescribe such regulations and other guidance as are necessary or appropriate to carry out this subsection, including regulations—

"(A) to prevent avoidance through related parties, pass-through entities, bundling, allocation, recharacterization, barter arrangements, or foreign affiliates;

"(B) to coordinate this subsection with sections 263, 263A, 274, and 482;

"(C) to provide rules for allocating amounts in the case of mixed-purpose contracts or integrated campaigns; and

"(D) to provide simplified safe harbors for small businesses."

(b) Effective date.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2026.

SEC. 1173. TRUTH IN ADVERTISING, RECORDKEEPING, AND CORRECTIVE REMEDIES.

(a) In general.—The Federal Trade Commission Act ([15 U.S.C. 41 et seq.](#)) is amended by inserting after section 15 ([15 U.S.C. 55](#)) the following:

"Sec. 15A. Truthful, identified, substantiated, and nonabusive advertising.

"(a) Definitions.—For purposes of this section:

"(1) Advertisement.—The term 'advertisement' means any commercial communication, other than labeling, disseminated by any means in or affecting commerce for the purpose of inducing, or likely to induce, directly or indirectly, the purchase, lease, use, or favorable perception of any product, service, brand, business, trade name, or line of business.

"(2) Clearly and conspicuously.—The term 'clearly and conspicuously' means in a manner that is difficult to miss, readily understandable by an ordinary consumer, and presented in such form, timing, place, and manner as the Commission may require by rule.

"(3) Material connection.—The term 'material connection' means any financial or other relationship that a reasonable consumer would consider important in evaluating the credibility, independence, or weight of a representation.

"(4) Substantiation.—The term 'substantiation' means competent and reliable evidence sufficient, in light of the nature of the claim, the product or service, the benefits or consequences represented, and the audience to whom the advertisement is directed, to support an express or implied factual claim at the time such advertisement is first disseminated.

"(b) Unlawful acts or practices.—It shall be unlawful for any person to disseminate or cause to be disseminated in or affecting commerce any advertisement that—

"(1) contains an untrue statement of a material fact;

"(2) omits a material fact necessary in order to make a representation, in light of the circumstances under which the representation is made, not misleading;

"(3) contains an express or implied factual claim for which the advertiser lacked substantiation before first dissemination;

"(4) fails clearly and conspicuously to identify the person on whose behalf the advertisement is disseminated;

"(5) is formatted, styled, or presented in a manner likely to cause a reasonable consumer to mistake the advertisement for independent news, editorial, entertainment, search results, user-generated content, or other noncommercial content, unless the advertisement clearly and conspicuously discloses that it is an advertisement;

"(6) includes an endorsement, testimonial, review, product placement, influencer promotion, sponsored content, or other promotional content for which a material connection has not been clearly and conspicuously disclosed;

"(7) materially misrepresents that a review, endorsement, or testimonial reflects the independent opinion or experience of a person other than the advertiser or a person acting on behalf of the advertiser; or

"(8) employs a format, design, or representation the principal purpose or foreseeable effect of which is to defeat, obscure, or evade a disclosure required by this section.

"(c) Affirmative defense for certain disseminators.—

"(1) In general.—It shall be an affirmative defense to a violation of subsection (b) for a person that sells, places, transmits, distributes, publishes, or materially amplifies an advertisement on behalf of another person that—

"(A) before the first dissemination of the advertisement or campaign, obtained the certification required under subsection (d)(1);

"(B) did not create, develop, or materially alter the representation, claim, or disclosure at issue; and

"(C) did not have actual knowledge that the advertisement or campaign failed to comply with this section.

"(2) Inapplicability.—Paragraph (1) shall not apply to a person described in such paragraph if such person—

"(A) materially assisted in the creation or development of an untrue or misleading representation;

"(B) knew that a required disclosure was omitted, obscured, or defeated; or

"(C) disseminated the advertisement or campaign after acquiring actual knowledge that the advertisement or campaign failed to comply with this section.

"(d) Certification.—

"(1) Advertiser certification.—Before the first dissemination of an advertisement or advertising campaign, the advertiser shall provide to each person that sells, places, transmits, distributes, publishes, or materially amplifies the advertisement on behalf of the advertiser a written certification, signed by a natural person authorized to bind the advertiser, stating that—

"(A) the advertiser has reviewed the advertisement or campaign;

"(B) the advertisement or campaign does not contain any untrue statement of a material fact;

"(C) the advertisement or campaign does not omit a material fact necessary to make the statements made, in light of the circumstances under which such statements are made, not misleading;

"(D) the advertiser possessed substantiation for each express or implied factual claim at the time of first dissemination; and

"(E) the advertisement or campaign complies with the sponsor-identification and material-connection disclosure requirements of this section.

"(2) Campaign variants.—A single certification may cover substantially similar variants within the same advertising campaign if the differences among such variants do not materially alter an express or implied claim, a required disclosure, or the target audience.

"(e) Treatment under this Act.—A violation of this section, including a failure to provide a certification required under subsection (d), shall constitute an unfair, deceptive, or abusive act or practice in or affecting commerce within the meaning of section 45(a)(1) of this title.

"(f) Rules.—The Commission may promulgate such rules as are necessary or appropriate to carry out this section, including rules establishing standardized disclosure formats, reasonable procedures for campaign-level certifications, and requirements adapted to evolving methods of dissemination.

"Sec. 15B. Corrective advertising, recordkeeping, and restorative remedies.

"(a) Covered violation.—For purposes of this section, the term 'covered violation' means a violation of sections 15A, 15B, 15C, or 15D, or of any rule promulgated under such sections.

"(b) Corrective advertising.—In any administrative proceeding under section 5(b) or any civil action brought by the Commission with respect to a covered violation, the Commission or the court, as applicable, may require the dissemination of corrective advertising or other public notification reasonably calculated to—

"(1) redress injury to consumers or other persons;

"(2) counteract lingering or residual misleading impressions caused by the covered violation; and

"(3) inform persons exposed to the advertisement of the truth.

"(c) Content and placement of corrective advertising.—Corrective advertising ordered under subsection (b) may require dissemination—

"(1) in the same or substantially similar media, format, language, geographic markets, and audience segments as the advertisement or campaign that gave rise to the covered violation;

"(2) with substantially similar prominence, placement, cadence, duration, and frequency; and

"(3) in an amount reasonably calculated to achieve not fewer than 3 times the estimated impressions or reach of the advertisement or campaign that gave rise to the covered violation, unless the Commission or the court finds that a different amount is necessary to redress injury and counteract lingering or residual misleading impressions.

"(d) Recordkeeping.—

"(1) Advertisers.—Each advertiser shall retain, for not less than 3 years after the last dissemination of an advertisement or campaign, 1 specimen copy of each substantially different advertisement or campaign and such records as are reasonably sufficient to establish—

"(A) the claims made;

"(B) the substantiation possessed at the time of first dissemination;

"(C) the dates and manner of dissemination;

"(D) the audience or targeting parameters;

"(E) the geographic scope;

"(F) the estimated impressions or reach;

"(G) the amounts paid or incurred; and

"(H) the identity of each person that sold, placed, or materially amplified the advertisement.

"(2) Disseminators.—Each person that sells, places, or materially amplifies an advertisement on behalf of another person shall retain, for not less than 3 years after the last dissemination of the advertisement or campaign—

"(A) the certification required by section 15A(d);

"(B) records sufficient to identify the advertiser;

"(C) the dates and manner of dissemination;

"(D) the audience or targeting parameters;

"(E) the geographic scope; and

"(F) the estimated impressions or reach attributable to such person.

"(3) Allocation by agreement.—2 or more persons subject to this subsection may allocate responsibility for maintaining records required under this subsection by written agreement, except that no such agreement shall relieve—

"(A) an advertiser of responsibility for maintaining substantiation records; or

"(B) a disseminator of responsibility for maintaining a certification required by section 15A(d).

"(e) Treatment under this Act.—A covered violation—

"(1) shall be treated as a violation of a rule promulgated under section 18 regarding unfair, deceptive, or abusive acts or practices; and

"(2) shall constitute an unfair, deceptive, or abusive act or practice in or affecting commerce within the meaning of section 5(a)(1).

"(f) Rules.—The Commission may promulgate such rules as are necessary or appropriate to carry out this section, including rules establishing standardized recordkeeping formats.

"(g) Other relief preserved.—The remedies provided by this section are in addition to, and not in lieu of, any other remedy or authority available to the Commission or a court under this Act or any other provision of law."

(b) Corrective advertising under section 19.—Section 19(b) of the Federal Trade Commission Act ([15 U.S.C. 57b\(b\)](#)), as amended by this Act, is further amended by inserting ", corrective advertising, and corrective disclosures" after "and public notification".

(c) Conforming amendment.—The table of sections in section 1 of the Federal Trade Commission Act is amended by inserting after the item relating to section 15 the following:

"15A. Truthful, identified, substantiated, and nonabusive advertising.

"15B. Corrective advertising, recordkeeping, and restorative remedies."

(d) Effective date.—The amendments made by this section shall take effect on January 1, 2027.

SEC. 1174. RESTRICTING ADVERTISING OF ADDICTIVE PRODUCTS AND SERVICES.

(a) In general.—The Federal Trade Commission Act ([15 U.S.C. 41 et seq.](#)), as amended by this Act, is further amended by inserting after section 15B the following:

"Sec. 15C. Special restrictions on advertising of covered addictive products and services.

"(a) Definitions.—For purposes of this section:

"(1) Advertisement.—The term 'advertisement' has the meaning given such term in section 15A(a)(1) and includes any public sponsorship, naming rights arrangement, or other public display of a brand, product, service, or trade name in connection with any athletic, musical, artistic, social, or cultural event, venue, team, league, or program.

"(2) Covered addictive product or service.—The term 'covered addictive product or service' means—

"(A) a tobacco product, as defined in section 201(rr) of the Federal Food, Drug, and Cosmetic Act ([21 U.S.C. 321\(rr\)](#));

"(B) an alcoholic beverage, as defined in [section 214\(1\) of title 27](#), United States Code;

"(C) any gambling product or service, including—

"(i) any bet or wager, as defined in [section 5362\(1\) of title 31](#), United States Code;

"(ii) any lottery;

"(iii) any gambling service or gambling establishment, as defined in [section 1955 of title 18](#), United States Code;

"(iv) any account, platform, service, or other arrangement used to place, receive, facilitate, offer, market, or settle gambling activity, whether or not such activity constitutes a bet or wager within the meaning of clause (i); and

"(v) any prediction market, as defined in section 1601 of title 26, United States Code;

"provided that the term does not include the purchase or sale of securities, any contract of insurance or indemnity, or any deposit or other transaction with an insured depository institution; and

"(D) any other product or service designated by the Commission by rule, in consultation with the Secretary of Health and Human Services, the Secretary of the Treasury, and the Attorney General, upon a finding that such product or service presents a substantial risk of addiction, compulsive use, or comparable public health, financial, or social harm.

"(3) Lawful minimum age.—The term 'lawful minimum age' means the minimum age applicable to the purchase or use of the covered addictive product or service under Federal, State, local, or Tribal law.

"(4) Naming rights arrangement.—The term 'naming rights arrangement' means any contract, license, sponsorship, or other arrangement under which the name of—

"(A) the brand name, trade name, trademark, or product name of a covered addictive product or service; or

"(B) any person for which not less than 50 percent of gross revenue is attributable to the manufacture, distribution, sale, or facilitation of covered addictive products or services,

"is used in the name of, or is publicly displayed as part of the name of, any event, venue, team, league, or program.

"(5) Point-of-sale factual communication.—The term 'point-of-sale factual communication' means a communication limited to the identity of the product or service, the seller, the price, availability, lawful age restrictions, and disclosures expressly required by Federal, State, local, or Tribal law that is—

"(A) located on the physical premises where a covered addictive product or service is lawfully offered; or

"(B) on an internet site, application, account page, or similar digital location owned or controlled by the seller or manufacturer and intentionally accessed by a person.

"(6) Targeted advertising.—The term 'targeted advertising' means dissemination of an advertisement selected for a specific person or audience on the basis of personal data, behavioral data, geolocation data, inferred interests, demographic characteristics, or prior online or offline activity, other than—

"(A) contextual placement based solely on the content of the page, application, or service then being viewed; or

"(B) ordinary physical placement of a non-digital advertisement in a geographic location not selected on the basis of personal data or inferences about identified or reasonably identifiable persons or audiences.

"(b) Prohibition.—Except as provided in subsection (c), it shall be unlawful for any person to disseminate or cause to be disseminated in or affecting commerce—

"(1) to the general public, any advertisement for a covered addictive product or service; or

"(2) by means of targeted advertising, any advertisement for a covered addictive product or service.

"(c) Exceptions.—Subsection (b) shall not apply to—

"(1) a point-of-sale factual communication;

"(2) a label, package, insert, medication guide, patient information, or other disclosure expressly required by Federal, State, local, or Tribal law;

"(3) a communication directed solely to manufacturers, wholesalers, distributors, retailers, or other professional or commercial intermediaries and not disseminated to the general public;

"(4) a communication made available by the manufacturer or seller on an internet site, application, account page, or similar digital location owned or controlled by such manufacturer or seller if—

"(A) access is reasonably designed to be limited to persons who have attained the lawful minimum age;

"(B) the communication is not disseminated through paid placement, paid amplification, or targeted advertising; and

"(C) the communication otherwise complies with this section and section 15A; or

"(5) a response to a direct inquiry initiated by a person who has attained the lawful minimum age, if the response is provided directly to that person and is not further disseminated to the general public.

"(d) No preemption of stricter law.—Nothing in this section shall be construed to preempt or limit any Federal, State, local, or Tribal law that provides greater restrictions against the advertising of covered addictive products or services.

"(e) Relation to other authority.—Nothing in this section shall be construed to limit any authority of the Secretary of Health and Human Services, the Secretary of the Treasury, the Federal Communications Commission, the Attorney General, or any other Federal agency under any other provision of law.

"(f) Treatment under this Act.—A violation of this section shall constitute an unfair, deceptive, or abusive act or practice in or affecting commerce within the meaning of [section 5\(a\)\(1\)](#) of this Act.

"(g) Rules.—The Commission shall promulgate such rules as are necessary or appropriate to carry out this section, including rules to prevent evasion through affiliates, indirect compensation, data sharing, common branding, or nominally unpaid promotion."

(b) Existing contracts contrary to public policy.—Any contract or arrangement in effect on the date of enactment of this Act that requires or authorizes conduct prohibited by section 15C of the Federal Trade Commission Act, as added by subsection (a), including any naming rights arrangement within the meaning of section 15C(a)(4) of such Act, shall be contrary to public policy, unlawful, and unenforceable on and after January 1, 2027.

(c) Conforming amendment.—The table of sections in section 1 of the Federal Trade Commission Act, as amended by this Act, is further amended by inserting after the item relating to section 15B the following:

"15C. Special restrictions on advertising of covered addictive products and services."

(d) Effective date.—The amendments made by this section shall take effect on January 1, 2027.

SEC. 1175. PROHIBITION ON DIRECT-TO-CONSUMER PRESCRIPTION DRUG ADS.

(a) Findings and purpose.—

(1) It is the purpose of Congress by this section to prohibit direct-to-consumer advertising of prescription drugs, and Congress finds the following:

(A) Prescription drugs are available only by prescription because their use requires the supervision of a licensed health care professional and because consumers are generally not positioned to evaluate their risks, contraindications, appropriateness, or comparative clinical value without professional judgment;

(B) direct-to-consumer advertising of prescription drugs is permitted in only a tiny number of countries and is inconsistent with the ordinary understanding that prescription drugs should be selected on the basis of clinical need rather than mass-market persuasion; and

(C) the growth of direct-to-consumer broadcast advertising of prescription drugs in the United States followed regulatory and guidance changes that allowed such advertisements to rely on abbreviated risk presentation and adequate provision for dissemination of approved labeling, rather than requiring the full brief summary to be presented in the advertisement itself.

(2) Congress further finds that, because implementation of such a prohibition may be delayed by litigation or court order, reversing the regulatory and guidance changes is a prompt and practical method for restoring the prescription drug advertising landscape to its more pastoral pre-1997 setting.

(b) In general.—Section 502 of the Federal Food, Drug, and Cosmetic Act ([21 U.S.C. 352](#)) is amended by adding at the end the following:

"(hh) (1) If it is a drug approved under [section 505](#) or licensed under section 351 of the Public Health Service Act ([42 U.S.C. 262](#)), and subject to section 503(b)(1), and the holder of the approved application under section 505 or of the license under such section 351 has conducted direct-to-consumer advertising of the drug within the most recent 30-day period.

"(2) For purposes of this section, the term 'direct-to-consumer advertising', with respect to a drug subject to [section 503\(b\)\(1\)](#), means any promotional communication targeting consumers, including through television, radio, print media, digital platforms, and social media, for purposes of marketing such a drug."

(c) Full brief summary required for consumer-directed broadcast advertisements.—Section 502(n) of the Federal Food, Drug, and Cosmetic Act ([21 U.S.C. 352\(n\)](#)) is amended—

(1) in the first sentence—

(A) by striking "published direct-to-consumer advertisements the following statement printed in conspicuous text" and inserting "direct-to-consumer advertising includes the following statement, clearly and conspicuously presented";

(B) by striking "except that (A)" and inserting "provided that";

(C) by striking ", and (B)" and all that follows through "title 15"; and

(2) by striking the third and fourth sentences and inserting "In the case of direct-to-consumer advertising stating the name of the drug and its conditions of use, the brief summary relating to side effects, contraindications, and effectiveness shall be presented in a clear, conspicuous, unabridged, and neutral manner."

(d) Withdrawal of inconsistent regulations and guidance.—Not later than 30 days after the date of enactment of this Act, the Secretary of Health and Human Services shall revise [section 202.1 of title 21](#), Code of Federal Regulations, and shall withdraw the guidance entitled "[Consumer-Directed Broadcast Advertisements Guidance for Industry](#)", dated August 1999, and any successor

guidance, policy statement, or enforcement policy, to the extent such regulation, guidance, policy statement, or enforcement policy is inconsistent with subsection (c). Pending completion of such revision or withdrawal, any such inconsistent provision shall have no force or effect.

(e) Effective date.—The amendments made by this section shall take effect 30 days after the date of enactment of this Act and shall apply with respect to any drug approved under section 505 of the Federal Food, Drug, and Cosmetic Act ([21 U.S.C. 355](#)) or licensed under section 351 of the Public Health Service Act ([42 U.S.C. 262](#)), regardless of when the drug was approved or licensed.

SEC. 1176. OUTDOOR ADVERTISING AND DIGITAL BILLBOARD CONTROL.

(a) In general.—[Subtitle D of the Internal Revenue Code of 1986](#) is amended by adding at the end the following new chapter:

"CHAPTER 50D—OFF-PREMISES ADVERTISING STRUCTURES.

"SEC. 5000I. Definitions.

"SEC. 5000J. Imposition of tax.

"Sec. 5000I. Definitions.

"(a) Definitions.—For purposes of this chapter:

"(1) Airplane banner.—The term 'airplane banner' means any advertising sign, banner, or similar display towed or otherwise displayed from an aircraft, and visible from the ground by members of the public.

"(2) Airplane banner hour.—The term 'airplane banner hour' means each 60-minute period or fraction thereof during which an airplane banner is displayed.

"(3) Airship advertising display.—The term 'airship advertising display' means any sign, banner, screen, or other advertising display affixed to, integrated into, or otherwise displayed by a blimp, balloon, or similar lighter-than-air craft and visible from the ground by members of the public.

"(4) Airship advertising display day.—The term 'airship advertising display day' means each calendar day or fraction thereof during which an airship advertising display is displayed.

"(5) Compliant digital advertising display.—The term 'compliant digital advertising display' means—

"(A) in the case of an off-premises advertising structure subject to [section 131\(u\) of title 23](#), United States Code, a digital advertising display operated in compliance with such section; and

"(B) in the case of any other taxable advertising display, a digital advertising display that—

"(i) displays only fixed messages, each of which remains unchanged for not less than 6 seconds;

"(ii) does not use animation, scrolling, flashing, intermittent lighting effects, moving imagery, or full-motion video;

"(iii) automatically adjusts brightness in response to ambient light and is not operated at a brightness that causes glare or otherwise interferes with safe travel; and

"(iv) defaults to a single static message or a dark screen if the display malfunctions.

"(6) Digital advertising display.—The term 'digital advertising display' means any taxable advertising display that uses electronic, digital, LED, LCD, projection, or similar technology to display or change text, images, or other visual matter.

"(7) Directional sign.—The term 'directional sign' means a sign that provides only directional, distance, or location information concerning a place or facility and does not contain promotional advertising matter other than the name, logo, or identifying information of such place or facility.

"(8) Display face.—The term 'display face' means each separately viewable side, surface, screen, panel, banner face, or other distinct area on which an advertising message is displayed or may be displayed, but does not include any areas used for self-promotion by the owner.

"(9) Illuminated.—The term 'illuminated' means equipped with artificial lighting, whether internal or external, that makes a display face or message visible under conditions of darkness or reduced natural light, but does not include navigation, marker, or other safety lighting required by law that does not illuminate or form part of the advertising message.

"(10) Mobile advertising display.—The term 'mobile advertising display' means any vehicle, trailer, or other mobile device used in commerce to display advertising visible from a public right-of-way, but does not include a vehicle or trailer used for self-promotion.

"(11) Mobile advertising half-day.—The term 'mobile advertising half-day' means each 240-minute period or fraction thereof during which a mobile advertising display is operated in commerce and visible from a public right-of-way.

"(12) Mobile or airborne advertising display.—The term 'mobile or airborne advertising display' means a mobile advertising display, airplane banner, or airship advertising display.

"(13) Noncompliant digital advertising display.—The term 'noncompliant digital advertising display' means any digital advertising display that is not a compliant digital advertising display.

"(14) Off-premises advertising structure.—The term 'off-premises advertising structure' means any fixed sign, display, billboard, screen, panel, or similar structure or device designed, intended, or ordinarily used in commerce to display advertising visible from a public right-of-way, but does not include—

"(A) an on-premises sign;

"(B) an official sign or notice;

"(C) a directional sign; or

"(D) a sign advertising the sale or lease of the real property on which the sign is located.

"(15) Official sign or notice.—The term 'official sign or notice' means a sign or notice erected or required by a Federal, State, local, or Tribal government, or by a public utility, for traffic control, safety, public information, or other governmental or quasi-governmental purposes.

"(16) On-premises sign.—The term 'on-premises sign' means a sign located on the same premises as the establishment, activity, goods, or services to which the sign relates and that identifies the establishment or advertises activities conducted on, or goods produced, sold, or services rendered on, the property on which the sign is located, but does not include a noncompliant digital advertising display.

"(17) Owner.—The term 'owner' means the person operating a taxable advertising display in commerce.

"(18) Public right-of-way.—The term 'public right-of-way' means any road, street, highway, sidewalk, trail, transit way, or other right-of-way open to public travel.

"(19) Self-promotion.—The term 'self-promotion' means an advertisement for goods or services, which may contain a business name, logo, and other identifying information of the owner or affiliate, which is displayed—

"(A) on a vehicle engaged in facilitating the provision of such advertised goods or services; or

"(B) by an on-premises sign.

"(20) Taxable advertising display.—The term 'taxable advertising display' means an off-premises advertising structure or a mobile or airborne advertising display.

"(21) Taxable display area.—

"(A) In general.—The term 'taxable display area' means the total number of square feet, or fraction thereof, of all display faces of an off-premises advertising structure, determined by multiplying the greatest height by the greatest width of each display face and aggregating such amounts for all such faces, whether or not the same message is displayed on more than 1 face.

"(B) Temporary disuse or exempt content disregarded.—The taxable display area shall not be reduced because, during any period, 1 or more display faces are blank or display noncommercial content, official notices, or advertising the availability of the off-premises advertising structure.

"(C) Structural changes.—If permanent changes to an off-premises advertising structure increase or decrease the square footage calculated in subparagraph (A), the taxable display area for a taxable year shall be the calculation that results in the greatest taxable display area."

"Sec. 5000J. Imposition of tax.

"(a) In general.—There is imposed on the owner of each taxable advertising display a tax for each calendar year equal to the product of—

"(1) the base rate determined under subsection (b);

"(2) the applicable quantity determined under subsection (c); and

"(3) the applicable multiplier determined under subsection (d).

"(b) Base rate.—For purposes of subsection (a), the base rate shall be—

"(1) \$7.50, in the case of an off-premises advertising structure;

"(2) \$60, in the case of a mobile advertising display;

"(3) \$120, in the case of an airplane banner; and

"(4) \$480, in the case of an airship advertising display.

"(c) Applicable quantity.—For purposes of subsection (a), the applicable quantity shall be—

"(1) the taxable display area, in the case of an off-premises advertising structure;

"(2) the number of mobile advertising half-days during the calendar year, in the case of a mobile advertising display;

"(3) the number of airplane banner hours during the calendar year, in the case of an airplane banner; and

"(4) the number of airship advertising display days during the calendar year, in the case of an airship advertising display.

"(d) Applicable multiplier.—For purposes of subsection (a), the applicable multiplier with respect to any taxable advertising display shall be—

"(1) 9.0, in the case of a noncompliant digital advertising display;

"(2) 4.5, in the case of a compliant digital advertising display;

"(3) 1.5, in the case of an illuminated taxable advertising display that is not a digital advertising display; or

"(4) 1.0, in any other case.

"(e) Proration for certain structures.—

"(1) In general.—In the case of an off-premises advertising structure placed in service or permanently removed from service during a calendar year, the tax imposed by this section with respect to such structure shall be prorated on a monthly basis under rules prescribed by the Secretary.

"(2) Transition rule.—In the case of an off-premises advertising structure permanently removed from service before July 1, 2027, no tax shall be imposed under this chapter for calendar year 2027 with respect to such structure.

"(f) Inflation adjustment.—

"(1) In general.—In the case of any calendar year beginning after 2027, each dollar amount in subsection (b) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year, determined by substituting 'calendar year 2026' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

"(2) Rounding.—

"(A) In the case of the dollar amount in subsection (b)(1), the amount, after adjustment under paragraph (1), shall be rounded to the nearest multiple of \$0.05.

"(B) In the case of the dollar amounts in paragraphs (2), (3), and (4) of subsection (b), each such amount, after adjustment under paragraph (1), shall be rounded to the nearest whole dollar.

"(3) Publication.—Not later than December 1 of each calendar year, the Secretary shall publish the dollar amounts applicable under subsection (b) for the following calendar year.

"(g) Regulations and anti-avoidance rules.—The Secretary shall prescribe such regulations or other guidance as are necessary or appropriate to carry out this section, including regulations or other guidance—

"(1) to prevent avoidance through the use of related persons, intermediaries, temporary shutdowns, nominal noncommercial content, short-term transfers, changes in classification, changes in display characteristics, or other arrangements intended to reduce liability under this chapter;

"(2) to provide equitable rules for the treatment of mobile advertising displays that are parked, left standing, stationed, or repeatedly repositioned in substantially the same location;

"(3) to provide rules for determining when multiple display faces, structures, vehicles, banners, or devices shall be treated as a single taxable advertising display or as separate taxable advertising displays;

"(4) to provide rules for determining the taxable display area of irregularly shaped display faces and structures with multiple display faces;

"(5) to provide rules coordinating this section with [section 131\(u\) of title 23](#), United States Code, and with the definitions in section 5000I; and

"(6) to provide such recordkeeping, return filing, payment, and other administrative rules as the Secretary determines appropriate."

(b) Clerical amendment.—The table of chapters for subtitle D of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Chapter 50D. Off-premises advertising structures."

(c) Changeable electronic signs.—[Section 131 of title 23](#), United States Code, is amended by adding at the end the following:

"(u) Changeable electronic signs.—

"(1) In general.—A changeable electronic sign, display, or device erected or maintained pursuant to subsection (d) shall be considered consistent with this section only if—

"(A) each message remains fixed for not less than 6 seconds;

"(B) the display does not use animation, scrolling, flashing, intermittent lighting effects, moving imagery, or full-motion video;

"(C) the display automatically adjusts brightness in response to ambient light and is not operated at a brightness that causes glare, impairs the vision of a driver, or otherwise interferes with the operation of a motor vehicle;

"(D) the display defaults to a single static message or a dark screen if the display malfunctions; and

"(E) the display otherwise complies with standards prescribed by the Secretary to protect the safety of the motoring public.

"(2) Rule of construction.—A changeable electronic sign, display, or device that complies with paragraph (1) shall not be treated as containing flashing, intermittent, moving, or animated light solely because it changes from one fixed message to another at intervals permitted under paragraph (1)."

(d) Effective date.—The amendments made by this section shall apply to calendar years beginning after December 31, 2026.

SEC. 1177. PROHIBITION ON ADVERTISING TO MINORS.

(a) In general.—The Federal Trade Commission Act ([15 U.S.C. 41 et seq.](#)), as amended by this Act, is further amended by inserting after section 15C the following:

"Sec. 15D. Prohibition on advertising to minors.

"(a) Definitions.—For purposes of this section:

"(1) Advertisement.—

"(A) In general.—The term 'advertisement' means any commercial communication disseminated through covered media in or affecting commerce for the purpose of inducing, or attempting to induce, directly or indirectly, the purchase, lease, use, or favorable perception of any product, service, brand, business, trade name, or line of business.

"(B) Exceptions.—Such term does not include—

"(i) an individual's expression of personal opinion, experience, or play, unless such expression is—

"(I) disseminated on behalf of an advertiser; or

"(II) made in exchange for commercial consideration; or

"(ii) the mere identification of the name, trade name, trademark, logo, copyright notice, or other attribution of the publisher, developer, distributor, platform, owner, or creator of the covered media, unless such identification includes—

"(I) a product claim or comparative claim;

"(II) price information;

"(III) qualitative or promotional description, including a brand slogan; or

"(IV) a call to action, including any inducement to purchase or use a product or service.

"(2) Advertising designed to appeal primarily to minors.—The term 'advertising designed to appeal primarily to minors' means an advertisement intended or reasonably likely to appeal primarily to minors. Such determination shall be based on the totality of the circumstances, including the subject matter, visual and audio content, use of animation, language, age and appearance of characters, child-oriented activities or incentives, and use of celebrities or influencers who appeal to minors.

"(3) Blurred advertising.—The term 'blurred advertising' means an advertisement that is integrated into, disguised as, or otherwise not clearly separated from the underlying content and that is disseminated in exchange for commercial consideration, including a compensated influencer promotion, product placement, advertising presented in the form of a video, post, review, game, filter, or similar content, or any other disguised commercial content.

"(4) Child-directed advertising.—The term 'child-directed advertising' means—

"(A) advertising designed to appeal primarily to minors;

"(B) blurred advertising in child-directed content; or

"(C) any advertisement disseminated before, during, after, or adjacent to child-directed content, other than sponsorship identification.

"(5) Child-directed content.—The term 'child-directed content' means content disseminated through covered media that—

"(A) is identified by the platform or creator as directed primarily to minors or as made for children; or

"(B) based on the totality of the circumstances, including the subject matter, visual and audio content, use of animation, language, age and appearance of characters, child-oriented activities or incentives, and use of celebrities or influencers who appeal to minors, or other competent and reliable empirical evidence regarding the intended or actual audience, is directed primarily to minors.

"(6) Commercial consideration.—The term 'commercial consideration' means money, free products, discounts, revenue sharing, affiliate compensation, sponsorship, product placement consideration, or any other thing of value provided, directly or indirectly, in connection with the dissemination of content.

"(7) Covered media.—The term 'covered media' means audio, audiovisual, or interactive content disseminated by electronic means, including through broadcast television, cable television, satellite television, streaming services, internet sites, applications, social media services, video-sharing platforms, podcasts, games, or similar services or platforms.

"(8) Minor.—The term 'minor' means an individual under 17 years of age.

"(9) Sponsorship identification.—The term 'sponsorship identification' means a clearly and conspicuously disclosed acknowledgment that content was funded by, paid for by, or sponsored by a sponsor, if such acknowledgment—

"(A) is limited to the name or trade name of the sponsor and a brief nonpromotional statement of support;

"(B) does not include a product claim, comparative claim, price information, qualitative or promotional description, brand slogan, call to action, or inducement to purchase or use a product or service; and

"(C) is clearly separated from the surrounding content.

"(b) Prohibited acts.—It shall be unlawful for any person to disseminate, or cause to be disseminated, in or affecting commerce any child-directed advertising.

"(c) Treatment under this Act.—A violation of this section shall constitute an unfair, deceptive, or abusive act or practice in or affecting commerce within the meaning of section 5(a)(1) of this Act.

"(d) Rules.—The Commission shall promulgate such rules as are necessary or appropriate to carry out this section, including rules establishing disclosure, formatting, separation, and identification requirements for sponsorship identification and standards for determining when content constitutes blurred advertising, child-directed content, or advertising designed to appeal primarily to minors.

"(e) Rule of construction.—Nothing in this section shall be construed to authorize any targeted advertising, surveillance advertising, or use of personal information for advertising purposes that is otherwise prohibited by this Act or any other provision of law."

(b) Conforming amendment.—The table of sections in section 1 of the Federal Trade Commission Act, as amended by this Act, is further amended by inserting after the item relating to section 15C the following:

"15D. Prohibition on advertising to minors."

(c) Effective date.—The amendments made by this section shall take effect on January 1, 2027.

SEC. 1178. RULEMAKING, ENFORCEMENT, AND RELATION TO OTHER LAW.

(a) In general.—The Federal Trade Commission Act ([15 U.S.C. 41 et seq.](#)), as amended by this Act, is further amended by inserting after section 15D the following:

"Sec. 15E. Enforcement by States.

"(a) Civil action.—In any case in which the attorney general of a State, or other authorized State officer, has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by any person that violates section 15A, 15B, 15C, or 15D, or any rule promulgated under any such section, the attorney general of the State, or other authorized State officer, as *parens patriae*, may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction—

"(1) to enjoin the violation;

"(2) to enforce compliance with this Act;

"(3) to obtain damages, restitution, refunds, corrective advertising, public notification, or other compensation or relief authorized under this Act; and

"(4) to obtain civil penalties, if authorized by law.

"(b) Notice.—Before filing an action under subsection (a), the attorney general of a State, or other authorized State officer, shall provide written notice to the Commission and shall provide the Commission with a copy of the complaint to be filed, except that if prior notice is not feasible, the attorney general of the State, or other authorized State officer, shall provide such notice immediately upon instituting the action.

"(c) Intervention by Commission.—Upon receiving notice under subsection (b), the Commission shall have the authority—

"(1) to intervene in the action;

"(2) upon intervening, to be heard on all matters arising in the action; and

"(3) to file petitions for appeal.

"(d) Preservation of State powers.—Nothing in this section shall be construed—

"(1) to prevent the attorney general of a State, or other authorized State officer, from exercising the powers conferred by the laws of that State to conduct investigations, administer oaths or affirmations, or compel the attendance of witnesses or the production of documentary and other evidence; or

"(2) to prohibit the attorney general of a State, or other authorized State officer, from proceeding in State or Federal court on the basis of an alleged violation of any civil or criminal statute of that State.

"(e) Limitation during pendency of Federal action.—No separate action may be brought under this section during the pendency of an action by the Commission or the United States against the same defendant for the same violation.

"(f) Service of process.—In an action brought under subsection (a), process may be served in any district in which the defendant is an inhabitant or may be found.

"(g) Venue.—Any action brought under subsection (a) may be brought in any district court of the United States that meets the applicable requirements of [section 1391 of title 28](#), United States Code."

(b) Conforming amendment.—The table of sections in section 1 of the Federal Trade Commission Act, as amended by this Act, is further amended by inserting after the item relating to section 15D the following:

"15E. Enforcement by States."

(c) FTC rulemaking procedure.—

(1) In general.—Rules promulgated by the Commission under section 15A(f), 15B(f), 15C(g), or 15D(d) of the Federal Trade Commission Act, as added by this subtitle, shall be promulgated in accordance with section 18 of such Act ([15 U.S.C. 57a](#)), as amended by this Act.

(2) Early rulemaking authorized.—The Commission may promulgate regulations and take such other administrative actions as are necessary to implement the amendments made by this subtitle before January 1, 2027, except that no such regulation shall take effect before January 1, 2027.

(d) Enforcement notwithstanding jurisdictional exclusions.—Notwithstanding section 5(a)(2) of the Federal Trade Commission Act ([15 U.S.C. 45\(a\)\(2\)](#)), the Commission is empowered and directed to enforce sections 15A through 15E of such Act, and any rule promulgated under any such section, with respect to any person subject to such sections.

(e) Relation to other law.—Nothing in sections 15A through 15E of the Federal Trade Commission Act, as added by this subtitle, or in this subtitle, shall be construed—

(1) to preempt or limit any Federal, State, local, or Tribal law that provides equal or greater protection against deceptive, manipulative, misleading, abusive, or intrusive advertising practices; or

(2) to limit any authority of the Secretary of Health and Human Services, the Secretary of the Treasury, the Federal Communications Commission, the Attorney General, the Secretary of Transportation, or any other Federal agency under any other provision of law.

(f) Effective date.—The amendments made by this section shall take effect on January 1, 2027.

Subtitle G—Refriending the Skies

SEC. 1181. PROHIBITION ON SURVEILLANCE-BASED PRICE SETTING BY AIR CARRIERS AND TICKET AGENTS.

(a) In general.—[Section 41712 of title 49](#), United States Code, is amended by adding at the end the following:

"(d) Prohibition on surveillance-based price setting.—It shall be an unfair or deceptive practice under subsection (a) for an air carrier, foreign air carrier, or ticket agent to engage in surveillance-based price setting, as prohibited under section 1134 of the POPULIST Act."

(b) No preemption of consumer protection claims.—[Section 41713\(b\)\(4\) of title 49](#), United States Code, is amended by adding at the end the following: