



PIANY grassroots alert—June 14, 2011

Sick of seeing direct-writer advertisements in your vehicle registration renewals from the DMV?

PIANY is working for a law to stop it and we need your help TODAY!

PIANY has been working on your behalf for some time now to try to convince New York state that state agencies who contract to disseminate advertising material should exclude material which relates to the agency's mission. The bill [A.3320/S.3335](#) has passed the State Assembly and was just yesterday reported from the Senate Committee. ***As the end of the 2011 legislative session nears, it is absolutely critical that your senators hear from you TODAY.*** So, please call them and ask them to pass this bill! Your New York state senator may be contacted by calling (518) 455-2800. If you're not sure who your senator is, look them up using your ZIP code at <http://www.votesmart.org>.

This bill provides that state agencies, which contract with or through a third party to disseminate advertising materials to the public, are prohibited from including the advertisements of products or services which relate to the subject matter of the state agency. (Think direct-writer advertisements in vehicle registration renewals.) We've all seen them and as small businesses in New York trying to compete with these large national direct writers, it infuriates us!

The inescapable impression is that the inclusion of an insurance company's advertisement in official state mailings amounts to state endorsement of that company. Although the mailings feature language intended to disclaim such an endorsement, the disclaimer is patently ineffective. The state's role in regulating insurance and the Department of Motor Vehicles' role in enforcing mandatory financial responsibility requirements provide the incentive to avoid even the slightest perception of impropriety.

Importantly, the passage of this proposal would not prevent agencies such as the DMV from continuing their pay-to-advertise programs or receiving the revenue that companies pay for this privilege. Rather, the bill only would require the agencies to avoid advertising products and services that are directly related to their authority and thus likely to create the perception of an endorsement or favoritism.

Like the Ohio Bureau of Motor Vehicles, New York has recently announced that they have not contracted with an insurance company for these advertisements. PIANY believes, however, that voluntary and incidental compliance is not enough. The law needs to be changed to demonstrate the state's commitment to eliminating the appearance of inappropriate endorsements.

Moreover, recent announcements by the State Bridge Authority of their intention to offer advertising space on tollbooths to insurance carriers illustrate that this problem is far from over.

Please call your state senator today and encourage them to enact this statutory change to permanently prevent the use of insurance company advertisements in registration renewal mailings and to send a clear message that these types of practices are improper and illegal. New York currently enjoys a healthy automobile insurance market and consumers have numerous companies from which to choose. That choice, however, should be free from the inappropriate influence of any state agency.