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Two lawmakers are proposing legislation that would crack down on surprise telephone, cable and internet fees. U.S. Rep. Anna Eshoo, a Democrat from California, and Sen. Ed Markey, a Democrat from Massachusetts, earlier this month introduced the Truth-In-Billing, Remedies, and User Empowerment Over Fees (TRUE Fees) Act, according to a release from Eshoo's office. The bill would require cable, internet and phone companies to include all charges, including taxes, administrative fees and equipment rental fees, in the prices they advertise for services.

According to the proposed legislation, companies would have to provide notice of any increase no later than 21 days before it goes in effect. The act would also allow customers to end their contracts without early termination fees if their provider increases prices, the release said. Eshoo said in the release that customers are too often sold a service and blindsided by higher bills at the end of the month due to added fees. "These fees add up to hundreds of millions of dollars each year for cable and internet providers at the expense of consumers who have little to no option than to pay up," Eshoo said. "If phone, cable and internet companies won't be fully transparent with consumers, then Congress should act," Markey said in the release. **A copy of the legislation can be found here**. – ***Associated Press***

Reuters
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Zap2It
[Cable Top 25 for Week Ending February 24]

Philadelphia Inquirer
[State's top bookie calls Pennsylvania's current ban on spring training betting 'a slippery slope']

Harrisburg Patriot-News
[Republicans convene Saturday to nominate potential successor to former U.S. Rep. Marino]

America's top telecommunications regulator said U.S. companies are the front-runners in the global race to build fifth-generation wireless networks, a week after President Trump said those companies must step up their efforts or get left behind. "In my view we're in the lead with respect to 5G," Federal Communications Commission Chairman Ajit Pai told The Wall Street Journal, pointing to the commission's recent steps to quickly auction off wireless spectrum licenses considered useful for the new, ultrafast mobile networks telecom companies are developing. The FCC recently closed one auction and has three more planned this year. "In terms of infrastructure reforms, also it seems like we're making some progress," he said in an interview Wednesday, adding that the U.S. must continue to aggressively deploy 5G networks.

The question of which nation is at the forefront of building out faster wireless networks looms large over geopolitical and global telecom policies, with the U.S. and China battling over the equipment at the heart of new 5G systems. Which country is **in the lead** is difficult to measure and policymakers on both sides have taken different steps to encourage faster buildout. Mr. Pai is part of a delegation of senior U.S. officials dispatched here to MWC Barcelona, a wireless industry conference, to **make a case against** using equipment from Huawei Technologies Co. and other Chinese electronics companies that the American government considers a security threat.

The U.S. delegation, which includes State, Defense and Commerce Department representatives, said in meetings that American funds, such as those from USAID, couldn't be used to buy equipment from Chinese telecom companies, including Huawei, or the transfer of U.S. technology to China, the Journal reported. Huawei has consistently denied it would help any government spy and has said the U.S. has failed to produce evidence that its equipment poses a security risk. Some executives at European and Asian carriers that have signed deals to use Huawei's 5G equipment say **it is superior to gear** available from Nokia Corp. and Ericsson AB, the main U.S. suppliers, and less costly. "It's much more of a concrete discussion now because we really are on the doorstep of 5G deployments at scale," Mr. Pai said. "In past years, when 5G was much more of an abstraction to some, I suppose both the potential and challenges of 5G networks weren't as concretely presented to regulators and businesspeople alike."

n an opinion piece published in the Financial Times on Wednesday, Huawei's rotating chairman Guo Ping accused Mr. Pai and other U.S. officials of trying to block Huawei in order to preserve the U.S.'s own ability to conduct cyberespionage abroad. He also said the U.S campaign against Huawei was motivated by the fact that the U.S. is behind Huawei in 5G. "I want 5G, and even 6G, technology in the United States as soon as possible," President Trump tweeted on Feb. 21. "American companies must step up their efforts, or get left behind. There is no reason that we should be lagging behind on.........something that is so obviously the future." "The U.S. is leading in 5G but that doesn't mean we are resting on our laurels," a spokeswoman for Mr. Pai said.

A recent market report from U.S. network gear maker Cisco Systems Inc. predicted the U.S. will lead other markets in 5G availability over the next three years with 9% of mobile connections expected to support the standard, well ahead of what consumers are expected to see in Asia and Europe. AT&T Inc., Verizon Communications Inc. and other U.S. companies are building those early networks without the help of Huawei, a company that has made 5G technology a priority. Huawei has been effectively blocked from the U.S. telecom market—particularly in large carriers' networks—since a congressional report in 2012 said its equipment could be used for spying.

Few U.S. companies use its machines in domestic networks outside a small number of mostly **rural internet providers**. Those small telecom companies are still caught in the middle of a geopolitical conflict that leaves them worried about what will happen to their existing investments. Mr. Pai said he has heard from some of their worries about whether a proposed FCC rule will force them to rip out gear they already installed. "That is a question that we're still considering," he said. "It ultimately may require Congress to intervene to the extent that we don't have independent authority to take action."

More generally, Mr. Pai called America's wireless communications market a "very healthy ecosystem," with "some competition among the national players" helped by new companies, including cable providers, trying to expand into mobile phone service. He declined to comment on his agency's ongoing review of T-Mobile US Inc.'s bid to buy Sprint Corp. , a deal that would leave the U.S. with three nationwide cellphone carriers.

Even as wireless and cable companies spread onto each others' turf, the business of providing traditional pay-TV service has been shrinking. But Mr. Pai said it makes sense to view the market for video more expansively, including on-demand services like Netflix Inc. and YouTube in the mix. "I think there's no question that the video marketplace is more competitive than ever," he said, "and to me at least it only underscores the fact that regulators need to have a holistic and intellectually honest view of what competition in the marketplace is about." – ***Wall Street Journal***

When Verizon Communications told Hopewell Borough (NJ) that it **no longer had to pay about $40,000 in a local New Jersey business tax** because it didn't meet the market share threshold, Mayor Paul Anzano didn't believe it.

Almost everyone Anzano knew in Hopewell, population 2,000, still had a Verizon landline — the state requires phone companies to pay business property taxes if the so-called dial tone market share exceeds 51 percent. Anzano thought that Verizon still served at least that proportion of Hopewell. So began a 10-year trek through the courts that has cost the borough at least $200,000 in legal fees but also brought a hard-earned victory. Last month, New Jersey Tax Court Judge Mary Siobhan Brennan ruled that Verizon must cough up the local business tax after a trial revealed that Verizon had substantially underestimated its market share. Instead of the 44 percent to 48 percent of the borough that Verizon claimed to serve, Verizon's share was closer to 90 percent, she concluded.

The verdict is an important one not just for Hopewell, but also about 223 municipalities across New Jersey that collect an estimated $50 million in similar taxes from Verizon, which may have been looking at Hopewell as a test case. "We did our neighbors a huge favor," an ecstatic Anzano said in a phone interview, referring to the other New Jersey towns watching the case. "We showed the way. We were never mad at Verizon. We knew what they were doing. We did not think we should pass on a revenue stream at the expense of taxpayers."

To make itself look like a minor phone provider in Hopewell, Verizon included a 450-acre Merrill Lynch office complex three miles outside the Hopewell boundary while calculating its market share, Brennan found at trial. The 10,000 phone lines at the Merrill Lynch office complex in Pennington were served by competitor AT&T — making it seem that Verizon was a small provider in the Hopewell area. Verizon had no comment. The case is likely to reverberate across the state as hundreds of similar tax cases were stayed — or not acted on in court — as the Hopewell-Verizon case played out.

Edward Purcell, a New Jersey lawyer and former official with the New Jersey League of Municipalities, said that "this is a much-needed win for New Jersey towns and municipal taxpayers. The court really took Verizon to task for its skewed review of the phone-share numbers. When it comes to taxes, it's always trust but verify." Still, the borough's elation was muted by a Verizon legal win. Hopewell, in reality, won the case for only one tax year: 2009.

Following Brennan's late January decision, Verizon continues to challenge that it has to pay the tax for subsequent years, Joseph C. Tauriello, the Princeton lawyer who represented Hopewell Borough, said. As part of the court decision in the Hopewell case, Verizon can challenge the 51 percent market share each year in the hundreds of New Jersey towns it serves — a huge potential legal liability for municipalities. Michael Darcy, executive director of the New Jersey League of Municipalities, said that the group was "pleased with the decision" in the Hopewell case. But "some of the enthusiasm is tempered because it took longer than 10 years to resolve one tax year," Darcy said.

Verizon "will keep arguing each year over how many dial tones they provided within a geographic region," Darcy said, adding that these possible Verizon town-by-town tax fights in New Jersey would be a "great waste of taxpayer resources." Hopewell Borough paid $200,000 in legal fees to protect about $500,000 in tax revenue from Verizon, Anzano said. "Verizon has $3 million to spend on coffee cups and [cup warmers], and we have a $3 million [borough] budget. I think we were being picked on," he said. "They were bleeding us to death in legal fees."

Echoing a complaint heard around the state, Darcy said that "Verizon should not be the setting their own numbers" to determine whether and how much local taxes they owe municipalities. "We think the Legislature has to clean this up." Central to the Hopewell-Verizon case was whether Verizon should use geographic boundaries in "local phone exchanges" to determine market share or whether it could use phone numbers, which don't adhere to strict geographic areas.

Verizon claimed that it should use phone numbers. After the 609 area code, Verizon said that the three-digit prefixes 274, 309, 333, 466, 527, 564, 639, 644, 925 and 979 were part of Hopewell. The Merrill Lynch complex used the 274 prefix. But Hopewell contended that Verizon had to use physical maps on file with the state and federal regulators to determine market share — not telephone number prefixes. "We sought to hold Verizon to its own tariff map and product guide," Tauriello said.

“A local exchange must be defined by a geographical boundary. Using Verizon’s definition, they could not draw with a Sharpie [marker] their definition of a local exchange on a map,” he said. The judge agreed with Hopewell.

And as the mayor of a little borough north of Trenton, Anzano believed that Verizon chose Hopewell a decade ago as the “runt of the litter” of New Jersey towns, believing it would not fight back over the tax. The borough showed the company it could stick it out, Anzano said. – ***Philadelphia Inquirer***

Veteran television executive and producer Robert Greenblatt is in advanced talks with AT&T Inc. to take a senior role at WarnerMedia that could include oversight of a new unit that would combine HBO and Turner entertainment networks and an upcoming streaming service, people familiar with the matter said.

A former chairman of Comcast Corp.’s NBC network and Universal Television production studio and a former chief executive CBS Corp.’s pay-TV channel Showtime, Mr. Greenblatt would bring a wealth of entertainment production and management experience to WarnerMedia. HBO is best known for its prestige dramas and movies while Turner is the parent of TNT, TBS and Cartoon Network. Mr. Greenblatt met recently with WarnerMedia Chief Executive John Stankey about a role at the company, the people close to the situation said, and a deal could be reached as early as next week. Entertainment executive Peter Chernin, who is close to both Messrs. Stankey and Greenblatt, has been serving as an unofficial strategic adviser to AT&T.

The situation is still fluid and there is no guarantee that an agreement will be completed, the people said. If Mr. Greenblatt were to join WarnerMedia in such a role, it would call into question the future of several high-ranking executives. Among them are HBO Chief Executive Richard Plepler and Turner President David Levy who currently report to directly to Mr. Stankey, but could now be further down the pecking order. Mr. Greenblatt didn’t respond to requests for comment.

News of Mr. Greenblatt’s discussions with WarnerMedia was first reported by the Hollywood Reporter. The Greenblatt talks are just one phase of what is expected be a period of dramatic restructuring of the Time Warner assets AT&T acquired last year for more than $80 billion. AT&T’s hands were tied while the government continued its efforts to thwart the deal. That effort ended Tuesday when the U.S. Court of Appeals for the District of Columbia Circuit **ruled unanimously against the Justice Department** in its attempt to overturn a decision by U.S. District Judge Richard Leon to approve the deal. The government isn’t expected to continue its effort any further, The Wall Street Journal reported Tuesday.

Under Time Warner, Warner Bros., HBO and Turner operated very autonomously. AT&T has already indicated it will consolidate many backroom operations of the three units. Time Warner often debated combining HBO and Turner but ultimately opted to keep HBO apart from the rest of the company’s cable programming operations. The priority of AT&T is to get its as-yet-unnamed direct-to-consumer streaming service up and running. AT&T has said that HBO Now, the premium channel's own streaming service, will be the centerpiece of that effort. Kevin Reilly, chief creative officer of Turner's entertainment channels including TNT and TBS, **has been tapped to oversee content strategy** for the streaming service. – ***Wall Street Journal***

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