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It will soon become easier for local residents to follow business conducted by Johnstown Redevelopment Authority. The board plans to begin broadcasting its monthly meetings live, starting with the one scheduled April 21. "This will give people an opportunity to see what we do," JRA Acting Executive Director Francis D'Ettorre said.

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Board members Mark Pasquerilla and Brian Vuletich were the primary supporters of televising the meetings on Atlantic Broadband cable. "I think it's a good idea," Pasquerilla said. "It creates transparency. People won't have to be at the meetings to see what's going on." Vuletich added: "The whole idea is transparency. "The question has always been about being open to the public and giving the public an opportunity to know what's going on."

Meetings will be broadcast live every third Tuesday of the month, beginning at noon. Vuletich also expects reruns to be aired. The authority's board now meets in its own office in the Public Safety Building. In order to televise the proceedings, the board will conduct its business in another room in the same building – the Anthony C. Truscello Council Chamber – where a camera is already set up to broadcast Johnstown City Council meetings. – ***Johnstown Tribune-Democrat***

A broad set of property tax cuts for Oregon telecom businesses and data centers, which sailed through the state Senate earlier this month, is finding less enthusiasm in the

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Oregon House of Representatives.
"I agree with several of the witnesses who feel the bill is unfinished," said Rep. Phil Barnhart, D-Eugene, Chairman of the House Committee on Revenue, after hearing testimony from companies, cities and counties that oppose elements of proposed tax cuts.

In particular, **local governments say the tax breaks for cable TV and Internet companies are too steep** and would cut too deeply into their revenue. The Legislative Revenue Office estimates the changes will cost $16.2 million in revenue this year, rising modestly over the next five years. "Right now we think this is just too big of a loss," Wendy Johnson from the League of Oregon Cities testified Monday.

Senate Bill 611 arises from tech companies' concern over Oregon's unusual methodology for valuing the assets of cable TV operators, Internet service providers and data centers. It's a practice known by the arcane term "central assessment." Oregon calculates the companies' property tax bill in part based on the value of "intangibles," including a company's brand. It's a practice that dates to the 19th Century and tech companies complain it's woefully out of date, triggering tax liabilities well above what they pay in other states. Local officials say central assessment is holding up Google Fiber's decision about whether to bring hyperfast Internet service to the Portland area and is blocking Apple's plan to expand its data center in Prineville.

On March 2, the Oregon Senate voted 27-3 to approve SB611, which does three things:

– It caps central assessment on cable TV companies, chiefly Comcast, based on a formula that draws on the historical cost of their Oregon investments and subtracts the value of their franchise agreements.

– It exempts data centers from central assessment altogether.

– It creates **a new central assessment exemption** for Internet service providers that offer superfast connections of at least 1 gigabit per second (a gigabit is 1,000 megabits per second). That's 25 times faster than the new federal definition of broadband service and precisely matches Google Fiber's description of its service.

While future central assessment revenue would be diminished, the bill's supporters say cities might never have collected that money anyway because of legal uncertainty around the issue. And backers say the bill would encourage big new investment in the state - especially in rural Oregon, where even a few dozen data center jobs can make a substantial difference in community like Prineville, which has just 9,200 residents.

Oregon counties and cities testified Monday that they support the data center and gigabit tax breaks but object to the size of the other cuts. Portland, which has avidly courted Google Fiber, opposes the bill in its current form. "At this point, with so many outstanding questions, we're unable to give our full support to the bill," testified Elizabeth Edwards from Portland's office of government relations. Lawmakers said Beaverton and Washington County had expressed support for the bill. Comcast has endorsed it, too, but CenturyLink testified that it's structured to give tax breaks to its competitors but not the phone company.

Comcast didn't testify this week, but the company has said previously that its Oregon property taxes are 3.5 times higher than the average of what it pays in other states. It has cautioned that a high local tax bill could deter expensive technological upgrades to its Oregon operations. Jody Wiser of Tax Fairness Oregon, which scrutinizes corporate tax breaks, testified Tuesday that she believes nearly all of the revenue cuts in the current bill will accrue to Comcast and she urged the House committee to revamp the bill. "It's really just somebody stomping their feet and saying: We want a tax break," she said.

The House revenue committee has scheduled a work session on SB611 for Wednesday afternoon. If the House changes the bill it must return to the Senate so that chamber can consider the changes. That could complicate the bill's path to becoming law. – ***Portland Oregonian***

About that Netflix flip-flop, it's worse than you think.

On Jan. 14, 2014, the D.C. circuit court threw out an existing net-neutrality rule put in place by the Federal Communications Commission, and Netflix CEO Reed Hastings rushed to assure investors the ruling was a nonevent. In the absence of an official net-neutrality rule, the likelihood of broadband operators blocking access or slowing down Netflix was nil. "Part of delivering and expanding [the broadband business] for consumers," he explained, "is having a really good Netflix experience, a good YouTube experience. That's why people get higher-speed broadband. So I think actually our economic interests are pretty co-aligned."

Ted Sarandos, Netflix's programming guru, added that if Internet carriers "were to contemplate blocking Netflix or other services, it will significantly fuel the fire for more regulation, which is not something they are interested in." Netflix elaborated in a letter to shareholders filed with the Securities and Exchange Commission: "[Internet services providers] are generally aware of the broad public support for net neutrality and don't want to galvanize government action. Moreover, ISPs have very profitable broadband businesses they want to expand. Consumers purchase higher bandwidth packages mostly for one reason: high-quality streaming video. ISPs appear to recognize this and many of them are working closely with us and other streaming video services to enable the ISPs' subscribers to more consistently get the high-quality streaming video consumers desire."

People, this has been the adult view of net neutrality all along, and why intelligent persons have rightly called federal regulation a solution in search of a problem. Then why, a month after this deluge of demurrers, did Netflix change its tune radically and call for utility regulation of even the upstream "network of networks," which previously had not been considered part of the net-neutrality debate? Because Netflix was then rolling out its own network, Open Connect, to bypass the public network in favor of direct tie-ups with last-mile providers like Comcast,Verizon and AT&T. This largely ignored story has been told in detail by a disparate group of analysts and lawyers including Dan Rayburn, Larry Downes, Jonathan Lee and Fred Campbell.

Netflix effectively engineered a slowdown of its own service in late 2013 by relying on an intermediary with inadequate capacity, then waved a bloody shirt in pursuit of the direct-connection deals that today allow Netflix to distribute its content more efficiently and cheaply. At least now we understand the famous but nearly indecipherable remarks of Netflix CFO David Wells at a Morgan Stanley media conference two weeks ago. To wit, Netflix had been happy to flog the net-neutrality meme while negotiating these agreements, Mr. Wells indicated, and then unhappy when the FCC took its rhetoric seriously and imposed sweeping Title II regulation.

And no wonder: Netflix can hardly be in favor of anything that curbs its own freedom to run its business as it sees fit. Yet the FCC's "reclassification" of the Internet as a public utility potentially does exactly that. The same miscalculation, by the way, was made by Google, Apple, Microsoft and other Silicon Valley smarties who kept their heads down as the traditional net-neut talking point morphed into a demand for utility regulation. They didn't want to risk their images in a political brawl with lefty pro-regulation groups, so they kept silent and relied on the Obama administration and FCC Chairman Tom Wheeler to act responsibly. That was a bad bet.

Mr. Wheeler knows Title II is unnecessary and undesirable, but apparently felt it would be a personal defeat if he did not deliver something once the president had nosily intervened in favor of the "strongest possible" rules. Then, the only FCC majority available was three Democrats marching in lockstep with the president toward utility regulation.

Men spend their lives in Washington waiting for such a moment. Mr. Obama wasn't going to come over and beat him up if he effectively scuttled the rulemaking and sent it back to the drawing board. But Mr. Wheeler, at age 68, was not ready for responsibility and so waved Title II through rather than risk standing alone and taking the heat. In the Abilene

Paradox (look it up), a group drives to Abilene for lunch because each thinks the others think it's a good idea. Net-neut politics has now witlessly deposited the country in Abilene. It will be an expensively bought lesson for Google, Apple and others who flunked their civic responsibility to participate in an important public debate. And their schooling isn't over. – ***Wall Street Journal***

The gatekeepers to an Apple TV service may finally be ceding the way.

Media companies, long wary of disrupting the traditional cable bundle, are now in negotiations with Apple for an online TV service. To win over content owners, Apple is likely offering significantly better terms on a network-by-network basis than pay-TV providers. That is good news for media companies, even if they won't benefit equally from any Apple largess. Its desire for a slimmed-down package of channels will leave many less popular ones on the cutting-room floor. And while this may ultimately prove painful to cable and satellite-distribution partners, this is a risk media companies now appear willing to take.

Apple's "skinny" bundle will have about 25 channels, a far cry from the 300-plus ones typically offered through cable systems. Broadcast networks owned by CBS, Walt Disney and 21st Century Fox will be among those. Beyond that, only must-have networks will merit a spot. So Apple's service should benefit companies such as CBS, which has no extraneous channels beyond its core broadcast network, and premium channel Showtime. It should also be a positive for Disney and Time Warner, both of which get most of their value from a few top networks.

Time Warner's premium network HBO announced last week that it would offer an unbundled version of its service directly to subscribers via Apple TV set-top boxes for $14.99 a month, beginning in April. The calculus could be different for companies like Discovery Communications, AMC Networks and Scripps. They may face hurdles in getting more than one of their networks onto the service. Viacom, which owns many smaller channels beyond its best-known Nickelodeon and MTV networks, may also struggle to achieve the same value in an Apple-TV world.

That may be even less hospitable for pay-TV providers. If Apple can offer a comprehensive, albeit slimmed-down, bundle for $30 to $40 a month, that could force distributors to cut prices or eat into margins to retain subscribers. At Comcast, for example, average video revenue per user should be about $79.45 in 2015, according to UBS. Meanwhile, its programming costs per average subscriber should be about $39.60. Those costs may need to rise. That roughly 50% gross margin looks vulnerable. Comcast, which owns NBCUniversal, has remained a holdout in negotiations with Apple.

Granted, cable and telecom companies still control broadband pipes. And Internet TV means significantly more data will flow through them. But the government's new net neutrality rules could make it more difficult for broadband providers to raise prices or charge based on usage. When it comes to traditional TV, media companies appear prepared to move past the bundle. – ***Wall Street Journal***

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