BCAP's Grassroots Information Program (GRIP) has scheduled a Lobby Day on Tuesday June 7, 2016. Join us and help stop the imposition of sales tax on basic cable service – which is a key component of Governor Tom Wolf's 2016–2017 Budget Proposal.

BCAP GRIP Legislative Day Agenda
Tuesday June 7, 2016

8:15 am – Coffee, Continental Breakfast at BCAP (127 State Street)
8:30–9:00 am – BCAP Legislative Briefing
9:00 am – Walk to Capitol
9:15 am–12:00 Noon – Legislative Meetings at Capitol
12:00 Noon – Lunch on your own
1:15–5:00 pm – Legislative Meetings at Capitol

BCAP will be open throughout the day for coffee, picking up additional materials and reporting on legislative visits. GRIP members are welcome to arrange dinner meetings with legislators on Monday evening, June 6.

Please contact Brian Barno (717-214-2000) if you can join us for this critical lobbying day on Capitol Hill.

BCAP NewsClips

May 17, 2016

Fierce Cable
Comcast's Roberts: X1 Olympics presentation will be 'glimpse of the future of television'

San Jose (CA) Mercury News
AT&T launches gigabit Internet service in San Jose, San Francisco

Wall Street Journal
Facebook to Sell Video Ads on Behalf of Other Firms

USA Today
Amazon Fire TV gains market share, voice upgrades

Washington Post
What do we really want out of

The FCC has launched a 'relentless government assault" of regulation against the cable industry that has overturned decades of media case law, said Michael Powell, president and CEO of the National Cable Telecommunications Association.

Delivering a stirring keynote address this week at the NCTA's signature trade show, INTX, juxtaposed a cable industry successfully responding to OTT threats with innovation to what he described as threats posed by new FCC proposals to "unlock" the pay-TV set-top leasing business and regulate rates on cable business services providers. "The FCC's mantra is competition, competition, competition," Powell said. "But from where we sit it means one thing: regulation, regulation, regulation." "The policy blows we are weathering are not moderate corrections, they are thundering tectonic shifts," he said.

Referring to the FCC's attempt to "unlock" the pay-TV set-top industry for third-party companies, Powell called it an attempt to "confiscate" the cable industry property and "pass it to new competitors and give them a leg up. "Instead of unlocking the box," he added, "this proposal has unlocked fierce opposition from all groups. We can only hope the commission will hear their voices.

[Facebook?]

Reuters
[Twitter to eliminate photos and links in character count: report]

Pittsburgh Tribune-Review
[Toomey, McGinty spar over Philadelphia's 'sanctuary city' policy]

Philadelphia Daily News
[The quiet consequences of corruption]

Powell framed the FCC's approach to business services rate regulation as ironic. "Even when we are the new competitive interest, we seem to be marked for rate regulation," he said. "Internet companies are being nurtured and allowed to run free, while network operators are labeled as gatekeepers who should be shackled."

But net neutrality's effect on MSOs as they pivot into roles as broadband providers is Powell's top gripe, he said. "Most troubling is (regulators') view that the communications market is bifurcated. Internet providers are allowed to roam free, but network providers … must be shackled" by regulations. "This jaundiced view will prove detrimental to America's interests in the information age," he said.

It wasn't all doom and gloom: Powell delivered his address on INTX's new "open format" stage, set up at the far end of the exhibit hall and openly accessible to attendees, rather than being shut into an auditorium. The format represented the demise of cable's traditional "walled gardens" as operators increase TV Everywhere options and availability and rely more on their status as broadband internet service providers.

Companies like Charter have adapted to the changing market, he said, and the cable industry is beginning to take on an international tone as French MSO Altice crossed the pond to enter the U.S. market. "At INTX we see a marketplace for all competitors," Powell said, adding that the NCTA is looking for partners, not adversaries, as the industry changes. Further, traditional MVPDs must shake off the dust and look for new ways to deliver the plethora of content and services that consumers are demanding. "If we are bold & nimble enough we will not only survive, we will thrive.: -- ***Fierce Cable***

Verizon and union officials representing about 39,000 striking landline and cable workers in nine eastern states and Washington, D.C., agreed to restart negotiations, according to the U.S. Department of Labor. U.S. Secretary of Labor Thomas E. Perez said he met with both sides on Sunday in Washington, D.C. "The parties had an open, frank and constructive dialogue about finding a comprehensive way forward to resolve disputed issues and get people back to work," Perez said.

The two striking unions, the Communications Workers of America and the International Brotherhood of Electrical Workers, represent installers, customer service employees, repairmen and other service workers in Connecticut, Delaware, New York, New Jersey, Massachusetts, Pennsylvania, Rhode Island, Maryland, Virginia and Washington, D.C., for Verizon's wireline business, which provides fixed-line phone services and FiOS Internet service. Workers walked off the job on April 13. They had been working without a contract since August.

The unions have said they're striking because Verizon wants to freeze pensions, make layoffs easier and rely more on contract workers. The telecom giant has said there are health care issues that need to be addressed for both retirees and workers as medical costs have grown. Both sides agreed to return to the bargaining table on Tuesday to continue their discussions.

Perez said he's "heartened" by the parties' commitment to getting back to work on a new contract. "I was singularly impressed by the parties' appreciation that time is of the essence, and their strong commitment to use the collective bargaining process to reach a mutually beneficial resolution," Perez said. Some 45,000 Verizon workers went on strike for about two weeks in August 2011. Verizon Communications Inc. has a total workforce of more than 177,000 employees. – ***Allentown Morning Call***

Pennsylvania lawmakers still fatigued from a record budget standoff with Democratic Gov. Tom Wolf may not get much of a break from the partisan battles as the start of the new fiscal year approaches.

Both chambers of the Legislature resumed session in Harrisburg on Monday, with six weeks for Wolf and Republican majorities in the House and Senate to iron out sharp differences over taxes and spending for the 2016-17 fiscal year, which starts July 1.

The fall election campaign looms for most incumbents, and no one in the Capitol seems to want a repeat of the stalled approval of a final 2015-16 spending plan that was resolved only last month. Despite lawmakers' talk of an improved relationship and optimism about the process ahead, negotiating positions at this point suggest the coming weeks could be rocky.

Wolf has proposed a $33.3 billion spending plan, an 11 percent increase over the Republican-crafted $30 billion budget package that Wolf let become law without his signature to end the stalemate. It did not, he has said, fix a long-term deficit that has damaged Pennsylvania's credit rating or do enough to help public school systems that had the nation's biggest funding disparity between wealthy and poor districts. Big increases for public schools, pension obligations, human services and prisons would drive up the spending, under Wolf's proposal.

To fund it, Wolf has proposed a $2.7 billion tax hike that rests primarily on an 11 percent increase in the state income tax to 3.4 percent. Taxes on natural gas production, casino gambling, insurance premiums, tobacco products, movie tickets and **basic cable television service** also would rise.

Wolf's press secretary said the governor remains committed to finding more money. But Republicans have not committed to a tax increase of any sort for Wolf's new proposal, and say they are working now with the Wolf administration to find ways to save money and blunt cost increases.

House Speaker Mike Turzai, R-Allegheny, said he is aiming for spending growth of about 2 percent, or about $600 million. Meanwhile, Senate Majority Leader Jake Corman, R-Centre, said an overhaul of the state's major public sector pension system benefits should come first before a tax increase. "I'm trying not to draw lines in the sand, but we're certainly not interested in doing any revenue without pension reform," Corman said.

Turzai said he wants a dedicated source of money - even if it is a tax increase - to pay off a just-approved bond that would fund the state's school construction commitments. He also said the state must hold down rising costs for pension and debt obligations. "You can't keep asking for additional revenue for increasing debt service if you're not going to do something to lower the debt service increase," Turzai said.

The 2016-17 deficit is estimated at $1.8 billion by the Legislature's independent fiscal agency, and this year's tax collections aren't providing much help. Collections at the end of April were running $122 million over estimate, or less than 1 percent over last year, according to the Department of Revenue. Wolf's spokesman Jeff Sheridan said the governor is "willing to have that conversation" about Republicans' proposed pension system changes, which revolve around replacing part of the traditional pension benefit for future state and school employees with a 401(k)-style benefit. But Wolf also is adamant about increasing state support for public schools, Sheridan said. "The governor wants to work with Democrats and Republican leaders to accomplish investing more," Sheridan said.

Wolf had agreed to a Senate Republican pension proposal last year, but the House rejected it in December, marking the third straight year that a governor-supported pension bill had stalled. House and Senate Republicans have unresolved differences about many aspects of pension legislation, and Corman said Republicans will seek other concessions from Wolf in exchange for a spending increase on public schools.

In any case, decades of history suggest Wolf's pursuit of a major election-year tax increase may not succeed. And it's unclear whether anything has changed since last year, when Wolf proposed a multibillion-dollar tax increase. Every cent of it ultimately went down to defeat in the House. Republicans eventually opted for a budget balanced with about $1 billion in reserves or postponed payments. Some Republicans say that if no deal is in sight by late June, they may be able to sway enough Democrats to pass a veto-proof budget package. – ***Associated Press***