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The Federal Communications Commission on Thursday voted along party lines to approve a proposal to explore subsidizing broadband Internet for poor Americans. The plan, introduced last month by the agency's Democratic chairman, Tom Wheeler, helps pave the way for sweeping changes to a \$1.7 billion phone subsidy program.

Republicans have opposed extending the phone subsidy — known as Lifeline and initiated in 1985 under President Reagan — pointing to past instances of fraud in the program and suggesting that any expansion would generate more fraud. On Thursday, the two Republican commissioners delivered strongly-worded dissents. "Adequate controls and deterrents against waste, fraud and abuse should



be in place *before* considering expanding the program to broadband," said Michael O'Rielly, a Republican commissioner.

Part of Mr. Wheeler's plan approved on Thursday was an effort to allay those concerns. In its vote, the commission adopted stricter measures to ensure eligible households claim only one subsidy of \$9.25 a month. Those antifraud measures — including new record-keeping requirements for service providers, who are charged with verifying a person's income — are expected to take effect this summer. "I am befuddled at how this Republican program has suddenly become so partisan," Mr. Wheeler said in responding to the dissents on Thursday. "But I am proud to cast my vote with the majority."

The commission will now begin to discuss the logistics of how exactly to incorporate

broadband into the program and write specific rules. Those changes would need to be approved by a separate vote, one not expected for at least several months. A principal question that regulators must address is how far, exactly, the current subsidy, \$9.25 a month, can go in financing broadband.

Republicans and Democrats alike have wondered about the economic feasibility of offering a mix of phone service and broadband at the same price, which Mr. Wheeler has suggested would be possible. On Thursday, both Mr. O'Rielly and his fellow Republican commissioner, Ajit Pai, said they wanted to establish a firm budget and spending cap on the program to keep its cost from multiplying. Mr. Wheeler called those concerns "a rhetorical snowstorm to distract" from the basic premise of the

proposal.

Still, Democrats celebrated the significance of taking aim at the so-called digital divide, the social and economic gap between those with access to technology and those without it. Jessica Rosenworcel, a Democratic commissioner, on Thursday called a broadband subsidy essential to bridging the “homework gap” in particular, pointing to children’s increasing need for Internet access. “Students who lack regular broadband access are struggling to keep up,” she said, noting that as many as 7 in 10 teachers assign homework that requires online connectivity. “Now is not a moment too soon, because this is about the future.”

The proposal, Mr. Wheeler said, was about attacking problems in America that the commission should be united against. “Both political parties now engaged in serious campaigning as to who’s going to be responsible for the country and the commission in a few years,” he said. “But both political parties are in violent agreement that our country is challenged by economic inequality.” – *New York Times*

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The Federal Communications Commission on Thursday adopted a rule giving telephone companies wider latitude in preventing robocalls and spam text messages to consumers on both landline and wireless phones.

Automated calls and spam texts remain a major annoyance for consumers, agency officials say, despite the creation of a national “Do Not Call List” by the FCC and the Federal Trade Commission. FCC Chairman Tom Wheeler said the agency receives more complaints about robocalls than about any other issue, fielding more than 215,000 such complaints in 2014.

Under the new rule, phone carriers can block robocalls and automated text messages if requested by consumers. The move clarifies the agency’s interpretation of a 1991 consumer protection law that banned telemarketers from making cold calls to consumers. Companies have skirted that ban by using automated dialing machines, prerecorded calls and text messages. The new rule makes it clear that texts are the same as phone calls, and that phone carriers may block robocalls to consumers if asked. “The American public has asked us—repeatedly—to do something about unwanted robocalls. Today we help Americans hang up on nuisance calls,” Mr. Wheeler said. The rule also expands consumers’ ability to opt out of a marketer’s calls.

Under the existing rules, telemarketers need consent before targeting consumers’ wireless phones for nonemergency calls that are autodialed or prerecorded. They also need consent before targeting landline customers with prerecorded telemarketing calls. The new rule would require companies to allow consumers to revoke that consent more easily than they can now. Also, if a number has changed hands, companies only get one chance to stop calling the new user before facing penalties. “This is critical because we have heard from consumers that getting stuck with a reassigned number can lead to horrible consequences,” Mr. Wheeler said.

The FCC’s two Republican commissioners opposed the move, arguing that it goes too far and will prevent companies that use robocalls and autodialers for legitimate purposes, like taxi companies notifying consumers their cab is on the way. “Nobody is for abusive robocalling, but I think it goes far beyond where they tried to go,” Commissioner Michael O’Rielly said.

The rule includes some exceptions: The action allows health-care providers and banks to alert consumers to possible fraud in their bank accounts, or remind them of important medication refills without their prior consent. Other types of financial and health-care calls, such as marketing or debt collection, aren’t allowed under those narrow exemptions.

Consumers can also opt out of those permitted calls and texts at any time, but Commissioners Jessica Rosenworcel and Ajit Pai said the exemptions for health-care providers and banks allow robocallers to keep targeting consumers. “I do not support creating such a loophole,” Mr. Pai said. Consumers Union and other consumer advocacy groups praised the FCC’s crackdown. “Americans have had enough with robocalls that ring off the hook all day long, and often target them with the latest scams,” said Tim Marvin, Consumers Union’s End Robocalls campaign manager. “Today’s FCC vote means the phone companies should stop stalling and start providing their customers with free tools to block these calls.”

USTelecom, a trade group representing the phone industry, expressed support but cautioned that the problem will likely continue. “Unfortunately, there is no single technological solution to solving this problem, particularly given the recent widespread abuse of spoofed numbers by robocallers,” said Jonathan Banks, the group’s senior vice president, referring to the practice of making a fake number appear legitimate on caller ID. – *Wall Street Journal*

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Mike Veon, a former legislative leader who was a central figure in a state investigation of corruption in the Pennsylvania House of Representatives, is a free man after serving five years behind bars. State Corrections Department spokeswoman Sue McNaughton said the 58-year-old Veon, from Beaver County, was released on parole at 9:40 this morning from SCI Laurel Highlands in Somerset. Veon, who wielded power as a longtime House Democratic whip, received the harshest sentence among 22 lawmakers and aides who were convicted or pleaded guilty as a result of the investigation by the state attorney general. Veon was convicted in two trials of using state funds to pay bonuses to state workers for campaign work, illegal campaign fundraising and the misuse of taxpayers’ money for a nonprofit that he once ran. – *Pittsburgh Post-Gazette*



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