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Pittsburgh Post-Gazette
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Philadelphia Inquirer
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Variety
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Philadelphia Inquirer
You can tell Comcast what

In the Pennsylvania Capitol on Wednesday, there was a sense that this may be as good as it gets. This is the **latest revenue plan** to pay for the state's $32 billion budget to emerge late Tuesday from the GOP-controlled House. It centers on borrowing $1.5 billion, expanding gambling, siphoning money from some special state funds and forcing online retailers to collect and submit sales taxes.

Gov. Wolf, a Democrat who has called for new, steady revenue sources to deal with chronic deficit problems, has not endorsed the plan. But Republicans who control the Senate sent strong signals Wednesday that it may end up being the solution to a nearly four-month-long budget stalemate. "We're sort of in desperate times right now," said Senate Majority Leader Jake Corman (R., Centre). Among the funding stuck in limbo is $600 million for the state-related universities — Temple, Pittsburgh, Lincoln, and Pennsylvania State.

Corman on Tuesday noted that the revenue proposal cleared a major legislative hurdle Tuesday night when the House narrowly approved it, 102-88. Though Republican members who dominate the Senate have concerns over the amount of borrowing and the lack of recurring revenue, Corman said, they will seriously consider the proposal. "It's not what we would vote," said Corman, "but [we] understand this needs to get done." The House was scheduled to continue voting on budget-related bills early Wednesday evening, according to staffers.

Despite all the voting activity it is still not clear whether the latest developments, after months of stops and starts, will bring a balanced budget and end the standoff. Earlier this month, Wolf said he was **fed up with waiting** for the legislature to act on a revenue plan, and declared his administration would take the reins and manage the budget, which is saddled with a $2.2 billion deficit. Among other measures, the governor said he would borrow more than $1 billion against the state's liquor revenues. He also reiterated his call for a new tax on natural gas drilling in the Marcellus Shale, an idea that has been pushed hard by Democrats and moderate Republicans **for years with no traction**.

On Wednesday, however, a key House committee passed a bill to do just that. The bill, authored by Rep. Gene DiGirolamo (R., Bucks), would impose a volume tax that rises with the price of natural gas.

to do on its Xfinity TV voice remote

Bloomberg
Verizon's Unlimited Data Plans Drive Subscriber Growth

TV Technology
Commissioner Clyburn Warns FCC Is Heading Toward 'Regulatory Free-Zone'

USA Today
Break up the Google-Facebook-Amazon web monopoly

Harrisburg Patriot-News
Halting progress continues on Pa. budget front as exasperation grows

The state currently charges a per-well "impact fee." The measure passed out of committee in a 16-9 vote, with six Republicans joining Democrats to support it as gas-industry lobbyists looked on silently.

In a statement later in the day, Marcellus Shale Coalition president David Spigelmyer wrote: "Despite what some continue to suggest, our industry pays huge amounts of taxes, including an impact tax

that's generated more than $1.2 billion in revenue, benefiting every single county in the Commonwealth. Make no mistake, even higher energy taxes will harm local jobs and leave consumers paying more for the energy they need."

DiGirolamo said the new tax, which could come up for a preliminary vote on the House floor as early as next week, would raise between $200 million and $250 million in this fiscal year. "It's been almost 10 years that we've been talking about this," DiGirolamo said. "We still have a ways to go … I'm just very excited." – ***Philadelphia Inquirer***

Verizon feels that OTT streaming customers shouldn't bear the brunt of a retransmission impasse between their internet provider—often a cable operator—and programmers, and wants the FCC to consider this in any reform of the retransmission consent process. The service provider asked the FCC in a **filing** to consider reforming the retrans process between MVPDs and content owners in order to reduce costs for providers that are passed on to consumers.

In the filing, Verizon suggested that the FCC should find a broadcaster is not negotiating in good faith if it expands a programming blackout to customers of an MVPD's affiliated internet access services. "These customers may not even subscribe to the MVPD's video programming service, or could reside in a different local market that does not receive the broadcast station," Verizon said. "The Commission can address these abuses under the existing rules by finding that in these cases the broadcaster is simply not negotiating retransmission consent for the broadcast station signal, or is 'acting in a manner that unreasonably delays retransmission consent negotiations.'" A relatively nascent video player, Verizon faces a common challenge in dealing with rising content retransmission costs from a finite number of content owners.

In the FCC filing, Verizon said the regulator could help competitive providers like itself and others pass on more affordably priced content to their customers by creating regulatory actions that address "ballooning rates for carriage of broadcast TV signals and multiple blackouts of broadcast programming." "Verizon has frequently pointed to the principal sources of these rising costs—the broken retransmission consent regime and unreasonable programmer practices such as forced bundling of desired with undesired content," Verizon said in an FCC filing. "The Commission can address rising programming costs through its rules governing retransmission consent and program access."

Two actions could be taken, said Verizon: Congress could rework the statutory scheme in Section 325 of the Communications Act or the FCC could adopt additional protections for MVPDs and consumers. One of the practices that Verizon would like to have the FCC consider a lack of good faith is when a programmer mandates that an MVPD must carry a bundle of affiliated channels to get consent to retransmit the broadcast station signal.

According to Verizon, these arrangements often don't include an "economically viable alternative for carrying just the broadcast station signal." As a result, the costs for retransmission consent are generally higher, meaning that the MVPD must pass on higher service prices to subscribers, often after prolonged and sometimes bitter bargaining between the parties. Programming blackouts have been an all-too-common issue in the MVPD space. AT&T, for example, recently agreed to terms on a new retransmission deal with **Dispatch Broadcast Group**, restoring CBS affiliate WBNS-TV in Columbus and NBC affiliate WTHR-TV in Indianapolis to DirecTV and U-verse after a month-long blackout. – ***Fierce Cable***

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A proposal to require social-media companies to disclose information about political advertising on their platforms has drawn the support of a key Senate Republican.

Sen. John McCain (R, Ariz.), a longtime proponent of stricter political advertising disclosure rules and spending restrictions, has signed onto a bill being written by two Senate Democrats that was prompted by concerns about Russian activity on social media during the 2016 election, according to a statement from his office.

The **proposal—which will be officially unveiled** on Capitol Hill Thursday—will require social media companies such as Facebook Inc. to keep a public repository of **political advertising that runs on their platforms**, similar to the rules governing broadcast television and radio advertising. Democratic Sens. Mark Warner of Virginia and Amy Klobuchar of Minnesota are the primary authors of the legislation. Mr. McCain is a leading Republican senator on national security issues and has successfully championed campaign-finance legislation in the past despite skepticism among GOP lawmakers.

In an interview Wednesday, Mr. McCain acknowledged disagreement within the Republican Party over greater regulation of money in politics but said he was having conversations with others in his caucus about the legislation. A Facebook spokesman said: "We are open to working with lawmakers and reviewing any reasonable legislative proposals."

The last major rewrite of campaign finance rules, the 2002 McCain-Feingold bill named for Mr. McCain and his partner on the bill, former Wisconsin Democrat Russ Feingold, was written when social media was in its infancy and played almost no role in political campaigns. Today, online political advertising is a billion-dollar business, and much of it falls outside the disclosure rules that govern other media.

Facebook announced in September that it had discovered about 500 "inauthentic" accounts responsible for $100,000 in advertising that it **believes is linked to Russia**. Facebook has handed information about those accounts over to the congressional committees investigating Russian meddling in the 2016 election. Most of those ads uncovered by Facebook don't refer to any particular political candidate and wouldn't fall under the scope of the legislation proposed by Mr. Warner, Mr. McCain and Ms. Klobuchar—something that they acknowledge is a challenge.

Mr. Warner said that his bill was a starting point designed to garner as much congressional support as possible. "What we want to try to do is start with a light touch," he told reporters this week. Foreign nationals and governments are broadly barred from spending money to influence U.S. elections. U.S. law also tightly restricts propaganda material produced by foreign governments for domestic audiences. Paid online content that doesn't mention political candidates falls into a gray area.

According to the January report from the U.S. intelligence community, the highest levels of the Russian government were involved in directing the electoral interference to boost President Donald Trump at the expense of his Democratic rival Hillary Clinton. Russia's tactics included efforts to hack state election systems; infiltrating and leaking information from party committees and political strategists; and disseminating through social media and other outlets negative stories about Mrs. Clinton and positive ones about the Mr. Trump, the report said.

In recent years, congressional Republicans have balked at Democratic proposals to curb the flow of money in the political process, with many arguing that such spending is protected by the Constitution's guarantees of free speech. In 1976, the Supreme Court upheld the general principle that political spending is a form of speech but didn't preclude other regulation such as disclosure rules. In 2010, two more Supreme Court decisions allowed even more spending to flow into politics through outside groups such as super PACs and nonprofits, leading Democrats and independent government transparency advocates to call for stricter rules.

In a congressional hearing on Wednesday, Attorney General Jeff Sessions signaled that the Trump administration might be open to new laws dealing with online political advertising. “In this new fast-paced world with technology, perhaps there are needs to update it, and I would be pleased to work with you,” Mr. Sessions told Ms. Klobuchar. – ***Wall Street Journal***

Lehigh County Commissioner Marty Nothstein has entered the Republican primary to try to win the 15th congressional seat being vacated by Charlie Dent. Nothstein announced his candidacy this morning in a news release. He is the third Republican from Lehigh County to officially throw his name into the GOP ring. The other two are state Reps. Justin Simmons and Ryan Mackenzie.

Nothstein, an Olympic medalist in cycling, is billing himself as an outsider who runs a small business and helps promote bike riding for youngsters. “I’m not a career politician, and I see things through the eyes of a husband, a father, and someone who’s had to make a payroll,” Nothstein said in a statement. “Washington is a mess. Too many people in congress think ‘good enough’ will do. Well, good enough is not good enough for me.” Nothstein, 46, lives in Lowhill. He is an at-large county commissioner. – ***Allentown Morning Call***