

Pennsylvania Telephone Association

*"The Communications
Leader in Pennsylvania"*

The Friday Report

April 24, 2009

INDUSTRY NEWS

- The FCC has positioned several items for consideration at its next public meeting (May 13th); including local number portability which has long been the subject of debate among telco industry entities. According to some sources, the Commission is considering decreasing its current four business day window for landline providers to switch numbers to another carrier. The wireless industry has been leading the charge to decrease the current timeframe, while landline carriers have informed regulators that speeding up the process would necessitate the investment in new, expensive technology.
- Bad news out of Yahoo this week as the company announced its plans to cut its workforce by 5 percent, or 680 employees. The company reported that revenue in the first quarter came in at \$1.58 billion, down 13 percent from the same period last year, and that net income fell by 78 percent for the period.
- FCC Commissioner Jonathan Adelstein is one step closer to actually leaving the Commission as President Obama officially forwarded his nomination to head the Rural Utilities Service to the Senate this week. Technically, Adelstein would be allowed to serve at the Commission until a successor is confirmed or until the current session of Congress ends, even though his term expired last year.

LEGISLATIVE NEWS

- Once you're on the list, you're on for life. At least that's the general idea of Senate Bill 304 which unanimously passed the State Senate this week and has been sent to the House Consumer Affairs Committee for its consideration. Sponsored by Senator Jake Corman, the bill eliminates the five-year duration of a Do-Not-Call listing and provides that a telephone customer listing is maintained until the number is no longer valid or the customer requests to be removed from the list.

THE DAILY NUMBER

- 7,000

According to State House member Josh Shapiro, there have been nearly 7,000 accidents on Pennsylvania roads since 2002 in which the driver was using a cell phone. Shapiro is the prime sponsor of legislation banning cell phone usage which failed in the House by a vote of 100-95 this week.

QUOTABLE

- *“We suspect enactment will be an uphill fight for the Congress, given the political dynamics, which will tend to get more difficult as the 2010 election nears. It’s generally harder to pass controversial legislation than it is to block it, and in this case we note continuing resistance, particularly among Republicans but also among Democrats, to taking actions that can be seen as raising taxes, particularly during a recession.”*

Excerpt from a research note issued by analysts at Stifel Nicolaus this week on legislation making it easier for states to collect sales tax on Internet purchases. Wyoming Senator Mike Enzi and House Member William Delahunt of Massachusetts are poised to offer bills to do just that, and while Stifel believes that state budget shortfalls may provide some impetus, near-term passage seems unlikely.