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Less than two weeks before the budget deadline, cautious optimism is the mood in Pennsylvania's state Capitol.

That's because lawmawkers want to put behind a year of historic political stalemate, of finger-pointing and diminishing bank accounts for schools and government agencies who help the neediest Pennsylvanians. A year nobody wants to repeat. “It was a mess. It was a tremendous waste of time. It was a tremendous waste of money for many school districts, too,” said Kyle Kopko, associate professor of political science at Elizabethtown College. “I think people on both sides of the political aisle are cognizant of that.”

Now, as the June 30 fiscal deadline creeps up once again, political analysts like Kopko and lawmakers themselves acknowledge the damage last year’s nine-month state budget impasse left behind. And unlike the gloomy forecast one year ago — when most pundits correctly expected months of negotiations — optimism remains high in the state Capitol that, in a pivotal election year, Pennsylvania’s state government can learn from its mistakes.

Less than three hours before the June 30 midnight deadline last year, first-term Democratic Gov. Tom Wolf swiftly rejected a Republican-proposed spending plan that fell far short of his ambitious wishes. It would set up nearly nine months of meetings, proposals, vetos and angry press conferences until Wolf let the GOP budget go into law without his signature. “Nobody wants to go through what we did last year,” Wolf’s spokesman Jeff Sheridan said. “I think everyone is committed to working together.” And signs of bipartisan work for the last couple months may point to a sincere “working together” attitude, Sheridan and others argue.

House returns with budget deadline looming, no vote on tap	Kopko said that while he's not holding his breath for the budget, he's "cautiously optimistic" because of the agreements in recent weeks on bills that will bring some liquor law changes and (still not finalized) pension reforms — both of which were major parts of negotiations at times last year. Sheridan also pointed to the new medical marijuana law and the final approval of an education funding formula that more fairly hands out state appropriations. Franklin & Marshall College's G. Terry Madonna said it shows "a renewed sense that they can't do what they did last year." "They realized after what they went through last year that nothing is to be gained by doing it again, in fiscal terms and the politics of it," said Madonna, a longtime Pennsylvania politics observer. In fiscal terms, a quick compromise could mean preventing schools from borrowing money and threatening to close, again. In political terms, it could mean preventing the ousting of state lawmakers in a year when all state House members and half of the Senate is up for reelection. Madonna said it's "conceivable" they'll meet the deadline this time around, but it would be "stunning" if not by mid-July — when the Democratic and Republican national conventions will occur in Philadelphia and Cleveland, respectively. "The optics of that won't look too good," Madonna said of the possibility that lawmakers attend the conventions without having completed a budget. But to get to a speedy compromise budget, not everyone will be pleased with the outcome, Madonna said. Madonna expects a similar final budget compared to the one that became official this year — one that increases education funding by $100 million to $200 million (Wolf proposed $200 million more for basic education), and one that is also absent of Wolf's desired income and sales tax hikes or tax on natural gas drilling (because price of gas remains low). Lancaster city's Rep. Mike Sturla, a Democrat who is involved in the negotiations with House leaders, had a similar expectation. He said the governor may settle for a budget that provides up to $200 million more for education, and partially addressing $600 million of a roughly $2 billion budget deficit that will continue to grow without new revenue. "I think there's a sense we're all going to hold hands and sing Kumbaya and go home and declare victory," Sturla said. "[Republicans] will be happy saying we didn't raise taxes again … the governor can say we didn't at least increase the structural deficit." House Majority Whip Rep. Bryan Cutler, R-Peach Bottom, also said he was hopeful, pointing to the amount of time they've negotiated the same issues as a reason for compromising now. "It's actually compromise flowing over from last year, in my opinion," Cutler said. "The discussion started 18 months ago … We're now seeing the fruits of a long time of labor." That labor will continue this week, as House members return to the Capitol on Monday and senators return Wednesday, planning to work through next weekend, for the final push before the deadline. Sen. Ryan Aument, R-Landisville, said a GOP budget could be proposed by Tuesday in the House and passed on to the Senate as early as Wednesday. What that spending plan will look like is still up for debate. Wolf's proposed 2016-17 budget called for a $2.7 billion in new tax revenues, partially by expanding sales taxes to cable television and movie tickets, among other things, and increasing the state income tax from 3.07 percent to 3.4 percent. New taxes on natural gas drilling and cigarettes were included. Lawmakers interviewed for this story said Republicans may be open to the increased tax on cigarettes and new tax on smokeless tobacco, along with new revenue from regulating online gambling and expanded locations for gambling terminals. "I'm not enthusiastic about an expansion of gaming," said Aument, who has remained against the proposal that almost all Republican lawmakers from Lancaster County have voted against. Wolf's other taxes will likely be left on the table. "There will be no income or sales tax hikes," Madonna said. "They haven't done that in an election year in 40 years … Why

should they do that now?" Those details could also change dramatically within just a few days, experts argue. What may stay the same, they hope, is the tone of the conversation. Lawmakers aren't "negotiating on the front page of the newspaper," Sturla said. – ***Lancaster Intelligencer-Journal***

"The internet we know wasn't built by firms requesting bureaucratic approval for every move," observed Judge Stephen Williams in an opinion last week. The bad news is it was a dissent, from a decision upholding new Federal Communications Commission regulations that are already stifling internet investment, innovation and competition.

The 184-page ruling by two Democrat-appointed judges is a sobering read for technologists and internet users. "We do not inquire as to whether the agency's decision is wise as a policy matter," they admit. They stress the Supreme Court's "highly deferential standard" for reviewing supposedly independent and expert regulatory agencies.

Judge Williams, a Reagan appointee, called the new regulations so arbitrary and capricious the FCC should lose its deference from judges. The Supreme Court should now take the case on appeal to rule what "deference" is owed when an agency sacrifices its independence and rejects its experts.

In 2014 President Obama demanded that the FCC regulate the internet as a utility, under laws written for railroads and the early telephone monopoly. A congressional investigation concluded the White House "bowled over" FCC objections. The commission's Democratic majority ignored decades of agency analysis to adopt Obamanet, granting bureaucrats broad discretion to set rates, regulate prices, ban offerings, second-guess business models, and prohibit any innovation that violates a vague new "General Conduct" standard.

Congress never intended such regulation. The Telecommunications Act of 1996 declared the internet will be "unfettered by federal or state regulation," except to "promote competition." The FCC "specifically forswears any findings of a lack of competition" on the internet, Judge Williams noted. The chief economist at the agency later called the regulations "an economics-free zone." Judge Williams noted the FCC's "utter disregard" for the expert analyses: "The silent treatment given to three of its former chief economists seems an apt sign of the commission's thinking as it pursued its forced march through economic rationality."

Judge Williams's dissent is rich in telecommunications law and economics. He warns Silicon Valley about the style of micromanagement it can expect under a utility-regulation regime. He cited a late-night call in the 1970s to the head of the now-defunct Civil Aeronautics Board from an airline asking about its application to transport sheep from Virginia to England, which was urgent because the ewes were in heat.

Obamanet will entrench established companies and suppress startups. Regulations are "more burdensome for small firms than large," Judge Williams observed. Established companies are "accustomed to having their lawyers suit up, research all the angles, participate in proceedings after notice has been given to all potentially adversely affected parties, and receive, after an indefinite stretch, a green light or a red one."

The regulations arbitrarily bless some internet "fast lanes" while banning others. Telecom entrepreneur Daniel Berninger explained in a court filing that he can offer a new high-quality telephone service only if he's allowed to pay network operators for sufficient bandwidth to prevent "latency, jitter and packet loss." Such "paid prioritization" is arbitrarily banned under the new regulations. "Berninger appears to be exactly the sort of small, innovative edge provider that the commission claims its order is designed to assist," Judge Williams wrote. "In the words of Shel Silverstein's children's song, 'Some kind of help is the kind of help we all can do without.' "

Netflix was the loudest lobbyist for Obamanet, but its crony capitalism will backfire if a future FCC invalidates its huge contracts with content-delivery networks that speed delivery of its video. “If caching is a form of preferential treatment—and I cannot see why it is not—then paid access to broadband providers’ caching facilities violates the paid prioritization ban,” Judge Williams observed. Overregulation will also discourage broadband investment. Economist Hal Singer calculates capital investment by the top dozen internet service providers fell in 2015 as Obamanet was being adopted—the first decline since 2004.

Judge Williams warned the new regulation “shunts broadband service onto the legal track suited to natural monopolies,” which “provides little economic space for new firms seeking market entry or relatively small firms seeking expansion through innovations in business models or in technology.” The regulations will result in “the prevalence of incurable monopoly.”

In a better-functioning Washington, Congress would immediately reconfirm its 1996 legislation to restore the internet as a haven for permissionless innovation. The Supreme Court is the likelier salvation. The justices should refuse to defer to a regulatory agency that is neither independent nor expert. Until then, Silicon Valley is on notice that Washington is now in the business of picking its winners and losers. – ***Wall Street Journal***

The shuffle reflects Altice’s evolving global footprint, with the company poised to become a large player in the U.S. cable and broadband market with its $10 billion acquisition of Cablevision, which is expected to close this week. Altice already closed its $9.1 billion deal for a controlling stake in Suddenlink Communications in December, its first acquisition in the U.S.

The company Monday also said that founder and controlling shareholder Patrick Drahi would step down from his position as president to lead a new advisory council that will set out the strategic, operational and technological agenda for the company. “I am extremely excited about our U.S. business which is accounting for approximately 40% of our group and offers huge development opportunities,” Mr. Drahi said.

Mr. Combes, a longtime telecoms executive, joined Altice last year after leaving his role as head of telecoms-equipment maker Alcatel-Lucent ahead of its takeover by Finland’s Nokia Corp. He previously worked for Vodafone PLC and is known in the industry for his record as an aggressive cost manager. Altice has grown the size of its executive team in recent months as it’s moved from an intense period of acquisitions to a new phase of investing in its units’ networks and marketing efforts. – ***Wall Street Journal***