

Repeal of Cell Phone Tax, Broadband Deployment Highlight Discussions in Second Telecommunications Task Force Meeting

Building on the success of the inaugural meeting of the Pennsylvania Telecommunications Task Force in March, attendees at the second meeting on Tuesday, April 26 in Harrisburg began to outline goals for the newly minted group. Among them: repeal of the five percent gross receipts tax enacted in 2003, and ways to maximize deployment of broadband statewide.

President of the Tech Council, Kelly Lewis, called the meeting a "great success", noting that 50 government, business and community officials attended the meeting at the Tech Council's offices in Harrisburg.

"The roundtable discussion we had was extremely positive," Lewis said. "A lot of agreements exists on what we need to move forward."

Government officials attending the meeting included state Senator Rob Wondering, R-Montgomery, Chairman of the Communications and Technology Committee, state Senator Connie Williams, D-Montgomery, and Department of Community and Economic Development official Luc Miron.

To help foster business growth, the Task Force will act as an information source and clearinghouse for business, government agencies, and local communities that all play a vital role in the advancement and deployment of broadband and other telecommunications technologies. Supporting the new group is the Broadband Cable Association of Pennsylvania and the Pennsylvania Telephone Association, which is playing a key role in the implementation of the Chapter 30 renewal law, Act 183. Among other things, the new act carries financial incentives for incumbent phone companies to deploy broadband technologies in their coverage areas.

The next Task Force meeting is scheduled for May 24, 2005 in the Tech Council offices.

Verizon Goes Nationwide With VoIP

Verizon Communications is pushing further into the VoIP market by announcing recently the nationwide rollout of its Managed Communications Solution, which is designed to make VoIP migration easier for small- and medium-sized businesses. The IP-PBX service was first launched last fall in Massachusetts and Pennsylvania.

The system is a hybrid of IP features, data network services and remote management, designed for companies with between 20 to 200 employees that need to upgrade their network or have plans to integrate VoIP services into their networks.

By using their existing networks for voice traffic, the service is designed for businesses with multiple WAN locations to save money, Verizon said.

Based on Alcatel's Omni PCX Office PBX, the service can integrate both analog and digital phones over IP and traditional connections. Customers have toll-free access to round-the-clock support from a remote service center, including remote diagnostics, configuration backup, alarm monitoring, and monthly and on-demand reports.

"This flexibility plus the attractive financing terms remove the barriers to mall businesses hoping to move towards the future with an IP solution," said Philip Nutsugah, director of product development for Verizon's business solutions group, in a statement. "The Omni PCX's ability to accommodate legacy systems and the easy installation process is particularly attractive to businesses that cannot afford major disruptions to their communications."

Newspaper Denied Access to Public Officials' Cell Phone Records

A Pittsburgh newspaper is not entitled to secure from the city itemized bills revealing the names of private individuals with whom two city council members had been speaking on their city-bought cell phones, a Commonwealth Court panel has ruled.

Reversing an Allegheny County Court of Common Pleas judge's decision in *Tribune-Review Publishing Co. v. Bodack, Flaherty, S.J.* (13 pages), the panel's three judges concluded that such records are protected by either the personal reputation or personal security exceptions to Pennsylvania's Right-to-Know Act.

"We conclude that the innocent private citizen's interests must be protected from an unwanted and unwarranted invasion of privacy and that this privacy interest outweighs any public benefit that would be derived from disclosure of the information in the cell phone records which would disclose the identity of the private citizen called or making the call," Senior Judge James J. Flaherty wrote.

Flaherty was joined by Judges Rochelle S. Friedman and Mary Hannah Leavitt.

The panel's holding is a victory for the City of Pittsburgh Law Department. Ronald Barber of Strassburger McKenna Gutnick & Potter in Pittsburgh, who represented the *Tribune-Review* in Pittsburgh, called the panel's decision the latest in a recent but plentiful line of Pennsylvania appellate rulings that he says have limited the public's ability to review records generated by public offices and their officials.

"This growing trend of believing that public knowledge gets in the way of good government is a disturbing one," Barber said.

Barber said his client is deciding whether it will appeal the decision.

Teri Henning, general counsel of the Pennsylvania Newspaper Association, said her organization would be interested in joining as amicus in an appeal of the judges' ruling.

"We are entitled to know how our public officials are spending their time and our money," Henning said. "In order to have any understanding of their cell phone activity, the public must have access to most, if not all, of the telephone numbers dialed and received by these officials."

In October 2003, according to Flaherty's opinion, the Tribune-Review asked the city for the cell phone bill records of council members Len Bodack and Barbara Burns. The paper wanted to find out who had called the council members and whom they had called, how long those calls had lasted, how much those calls had cost and whether they had reimbursed the city for the cost of those calls.

N.Y. Attorney General Targets Internet Marketer

New York Attorney General Eliot Spitzer sued a major Internet marketer recently, claiming the company installed "spyware" and "adware" that secretly install nuisance pop-up advertising on screens, which can slow and crash personal computers.

Spitzer said the suit filed in New York City against Intermix Media Inc. of Los Angeles combats the redirecting of home computer users to unwanted Web sites and its own Web site that includes ads, the adding of unnecessary toolbar items and the delivery of unwanted ads that pop up on computer screens. After a six-month investigation, Spitzer concluded the company installed a wide range of advertising software on countless personal computers nationwide.

"Spyware and adware are more than an annoyance," Spitzer said. "These fraudulent programs foul machines, undermine productivity and in many cases frustrate consumers' efforts to remove them from their computers. These issues can serve to be a hindrance to the growth of e-commerce."

Spitzer's civil suit accuses Intermix of violating state General Business Law provisions against false advertising and deceptive business practices. He also accuses it of trespass under New York common law.

The company is accused of download ads and software that directs ads to a computer based on the user's activities. Spitzer's investigators said the downloads then attach to computers, often slowing their operation and crashing the computers as well as interfering with use of the computer through pop-up ads.