The Friday Report

December 16, 2016

INDUSTRY NEWS

- To the delight of some and despair of others, FCC Chairman Tom Wheeler announced yesterday that he intends to leave the Commission on January 20, 2017, President-elect Trump's inauguration day. The announcement comes in the wake of fellow Commissioner Jessica Rosenworcel's not being reconfirmed by the Senate, and will leave the Commission at 2-1 in favor of the Republicans. Expectations are that Commissioner Ajit Pai will be named acting Chairman until the Trump administration nominees are inserted. (See related story in Quotable section).
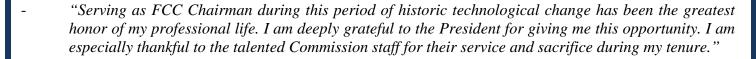
LEGISLATIVE

- Governor Tom Wolf's Budget Secretary Randy Albright took to the podium this week to deliver the mid-year budget address and, as expected, the news is not good. The state budget for 2016-17 will start with a deficit of $600 million which may grow to $750 million if Internet gaming legislation is not passed and a Philly casino license is not sold. To make matters worse, the Independent Fiscal Office is conservatively projecting a $1.7 billion deficit for fiscal year 2017-18.

THE DAILY NUMBER

- 1,000,000,000

News earlier this year that Yahoo suffered a hack on 500 million of its user accounts in 2014 was bad enough, but now comes news twice as bad. Literally. This week the company said that, while investigating the 2014 hack, it discovered that another attack a year earlier put more than 1 billion accounts at risk.

QUOTABLE

- *"Serving as FCC Chairman during this period of historic technological change has been the greatest honor of my professional life. I am deeply grateful to the President for giving me this opportunity. I am especially thankful to the talented Commission staff for their service and sacrifice during my tenure."*

   Comments of outgoing FCC Chairman Tom Wheeler.

- *"It's been an honor, a privilege and a wild ride serving here as Commissioner at the Federal Communications Commission. I like to say that every day working here, we have a front row seat at the digital revolution. And every day we get to see how that is changing every aspect of civic and commercial life. And that's made me believe…that the future belongs to the connected, and this agency does its best work when it extends that future to more people in more places."*

   Comments of outgoing FCC Commissioner Jessica Rosenworcel