

# Cable Views

Ohio Cable Telecommunications Association

Issue 1 2016

## From the Executive Director: Scarce Tax Dollars Shouldn't Be Diverted to Government-Run Broadband



*Jonathon McGee,  
OCTA Executive Director*

One of the most notable pieces of legislation during most sessions of the Ohio General Assembly is the state's two-year construction budget, the biennial capital bill.

From restoration of historic landmarks and underwriting community bricks and mortar priorities to spending on present-day infrastructure needs and investing in Ohio's future through K-12 and higher education facilities projects, these capital bills offer a glimpse into the heritage, priorities and future of our diverse state.

Most capital bill requests generate little controversy or opposition. After all, we can all agree on the

importance of clean drinking water, sound infrastructure and modern educational facilities, not to mention the cultural and historic sites in communities throughout the state which benefit from state support.

Unfortunately in recent years, in Ohio and elsewhere across the nation, there has been a growing trend toward diverting already-scarce tax dollars from important capital projects to fund local government-owned broadband networks. Even more unfortunate is that despite a costly pattern of failed public networks, some local governments continue to seek state funding to help pay for local networks which are often duplicative and designed to compete directly against existing private sector broadband providers.

Moreover, we have seen many instances where local

governments are embracing broadband models built around a specific technology (e.g., fiber) and arbitrary benchmark speeds (e.g., 1 gig). These efforts claim to know today what broadband technology will look like in the future and lock themselves into just that approach, to the exclusion of all current and future technologies and subsequent innovations. This type of myopic advocacy built the canals and saddled Ohio with unsustainable debt.

Local government in Ohio is well-positioned for many important responsibilities. And historically, state lawmakers have provided capital dollars to assist with related infrastructure needs. But Ohio's local governments simply are not designed or equipped to keep pace with rapid technological advancements in the telecommunications arena.

In addition to questions about the use of bond proceeds to fund government-owned networks, there are even more fundamental questions about the diversion of tax dollars from important health, safety and education priorities to underwrite a local government's attempt to develop and deploy an advanced communications network. It's just bad public policy.

Ironically, publicly-owned networks not only fail to spur competition in a local market, they may actually undermine the market forces that drive investment by the private sector. Private sector investors are reluctant to invest in an area being served by a government-owned network.

State policymakers in Ohio have a vital role in enhancing connectivity. The cable industry in Ohio, as the dominant provider of broadband, stands ready to work with lawmakers and the communities they represent in meeting their needs. If you have questions about the need for broadband networks in your community, let's talk.

## Cable Offers Candidates, Campaigns Real Value

Cable television advertising combines the power of broadcast TV with the precision of a classic grassroots campaign, giving candidates the best of both worlds – and at a fraction of the cost.

That was the message January 13 as the Ohio Cable Telecommunications Association and Time Warner Cable Media met with elected officials and top campaign strategists in Columbus to share insights on political and issue advertising on cable TV.

Participants learned about cable's capabilities for demographic and geographic targeting desired by campaigns, as well as the latest trends in digital media advertising on cable and on the internet. An "omni-screen" strategy helps candidates and campaigns target voters across every screen, said Karen Steinbrunner with Time Warner Cable Media.



*Time Warner Cable Media team members Tasha Paul, Kevin Tucker  
and Karen Steinbrunner*

*Continued on Page 4*

# Face to Face

## with Senator Larry Obhof

Senator Larry Obhof (R-Medina) represents the 22nd District, which includes Medina, Ashland and Richland counties, as well as portions of Holmes County.

He was recently elected Senate president pro tempore, the second-ranking majority leadership post in the Senate.

In addition to his legislative duties, Senator Obhof is an attorney and was part of the legal team that challenged the constitutionality of President Obama's health care law on behalf of a small business association and 26 states. He has also served as an adjunct professor at Case Western Reserve University School of Law, where he has taught courses on legislation and civil procedure. Obhof graduated with degrees in economics, history and political science from The Ohio State University. He earned his law degree from Yale Law School.

Senator Obhof resides in Medina with his wife, Nicole, and their three daughters.

### Fast Facts:

Team Colors:	Scarlet & Gray
Last Movie Seen:	"Star Wars: The Force Awakens" (several times)
Currently Reading:	"Very Hungry Caterpillar" (my four-year-old daughter loves that book)
Favorite Cable Channels:	AMC, Comedy Central and HBO



**Jonathon McGee:** Tell us about your professional life prior to becoming a member of the Ohio Senate.

**Larry Obhof:** I'm an attorney by trade and am a lawyer at a large international law firm where I practice mostly appellate law. My work covers a broad range of subjects, some of which are pretty interesting. I've done some constitutional law and was part of the legal team that challenged President Obama's health care law back when it was first enacted. I get a pretty interesting range of subjects to work on. I was also an adjunct law professor prior to joining the Senate. I taught law at Case Western Reserve University.

**JM:** I understand your interest in public policy predates your time in the legislature. What spurred your interest in public policy and, later, in becoming a member of the legislature?

**LO:** I think I've always been interested in public policy in one way or another, going back to when I was 15 or 16. I read a lot of books, particularly by law and economics people and economists like Milton Freedman. I think that gave me a foundation not just for an interest in public policy, but also what I would consider the foundation for my conservative principles.

**JM:** As you mentioned, you are an attorney. When did you first become interested in the law and ultimately decide to pursue a career in the legal profession?

**LO:** Probably during my first or second year of college. I was

pretty sure by my sophomore year of college I was going to go to law school. I think I started out college wanting to be an accountant. I never even took any accounting classes, so I'm not really sure where that came from, but I wanted to practice law since I was 18 or 19.

**JM:** Is there a specific type of law you find yourself especially attracted to? You mentioned a few earlier, but is there one that you really like?

**LO:** Constitutional law, in particular. That's been a subject that I've spent a significant amount of time on, not just as a practicing attorney, but also academic work. I've published a number of law review articles about issues like federalism and school finance litigation like the DeRolph lawsuit that we had here in Ohio. I probably have published seven or eight different articles over the years and have been cited by around 75-100 law professors or others throughout the country.

**JM:** You're a graduate of The Ohio State University, with degrees in economics, history and political science. Tell me about your interest in history. Are there specific periods or issues in history that are of particular interest?

**LO:** Sure. I actually got that degree almost by accident. I just kept taking classes that I enjoyed. I took courses on military history and that sort of springboarded into another degree because after five or six of those, I said I'm almost there, I might as well finish the job. I think military history in

*Continued on Page 5*

# Capital Update

## NCTA Key Contacts

The National Cable & Telecommunications Association (NCTA) will hold its annual Key Contacts Conference in Washington, D.C., April 12-14. Once again, the Ohio Cable Telecommunications Association (OCTA) will coordinate meetings on Capitol Hill with the Ohio delegation to Congress. If you wish to be included in these meetings, please let April Barrowman know as soon as possible at [abarrowman@octa.com](mailto:abarrowman@octa.com). For more information on Key Contacts and to register, visit [www.KeyContactConference.com](http://www.KeyContactConference.com).

## Legislative Update

The General Assembly had a fairly active start to the new year before recessing for the March 15 primary election and a spring break. Just before going on break, Rep. Ron Amstutz (R – Wooster) introduced House Bill 473 which, among many things, would require county commissioners to receive voter approval of a proposed Utility Service Tax (UST) before it is levied. Currently, the tax can be imposed without a vote of the people. The UST was enacted in 1967 and has never been used by any county. Recently, the Hamilton County Board of Commissioners looked at imposing this tax and decided that it was not a viable revenue source. OCTA Executive Director Jonathon McGee testified before the Hamilton County commissioners in opposition to the imposition of this extremely regressive tax. While we are pleased that Amstutz has taken up this issue and believe that his proposal will make it less likely that a county would utilize this tax, the OCTA believes that the UST has outlived its usefulness, places cable at a competitive disadvantage vis-a-vis our competitors, and should be repealed.

**Changes in Positions:** Senate President Pro Tempore Chris Widener (R-Springfield) retired from the Senate on January 31. The Senate Republican caucus selected Rep. Bob Hackett (R – London) to fill the 10th District seat. Hackett was term-limited in his House seat and was already running for Widener's Senate seat. The House Republican caucus is expected to fill Hackett's 74th District seat with the winner of the March 15 GOP primary for that seat.

Sen. Larry Obhof (R-Medina) was elected Senate president pro tempore, the number two position in the Senate, succeeding Widener in that post. Sen. Gayle Manning (R-North Ridgeville) was elected by the Republican caucus to fill Senator Obhof's old position as majority whip.

The House Democratic Caucus also made leadership changes following the resignation of Rep. Kevin Boyce (D-Columbus) as Democratic whip to focus on his campaign for Franklin County commissioner. Rep. Nickie J. Antonio (D-Lakewood) moves up to whip from assistant whip, and Rep. Jack Cera (D-Bellaire) takes her place as assistant whip.

**State of the State:** Marietta will be the site of Gov. John Kasich's 2016 State of the State address. The event will be at 7 p.m. on April 6 at the Peoples Bank Theatre.

## PUCO Update

**PUCO Seat:** Commissioner Asim Z. Haque of Columbus was reappointed by Gov. Kasich to the Public Utilities Commission

of Ohio for a term beginning April 11, 2016, and ending April 10, 2021.

**Pole Attachment Proceedings:** The PUCO recently issued an order in one of the pole attachment proceedings, the Duke case. In summary, the PUCO ordered Duke to submit a complete response to the OCTA's objections to Duke's pole attachment application as requested by the OCTA. Duke had argued that it only needed to include in its tariff changes to the rate calculation based on the PUCO's newly adopted formula and that it was not required to conform the terms and conditions of the tariff to the new rules. The commission, in agreeing with the OCTA, ruled that the tariff filings were supposed to comply with all of the rules. Duke's supplement was filed on February 29, 2016, and the OCTA and legal counsel are currently reviewing Duke's supplement.

In all the other cases, we still await a decision from the PUCO. For further information on specific pole attachment cases, including the new rates for those companies whose tariffs were not suspended, please see "2015 Pole Cases" in the "Members Only" section at [www.octa.org](http://www.octa.org).

**Retail Rules:** The PUCO opened a docket to review its Retail Telephone Rules contained in Ohio Administrative Code 4901:1-6. The PUCO has decided to use this open docket to effect rule changes mandated by House Bill 64 enacted last June. These changes concern the ILECs' IP transition. These proposed rules were issued in September and the OCTA timely filed Initial and Reply Comments. Several other interested parties also filed comments in this docket. We await a decision from the PUCO on the rules.

All filings in this docket may be reviewed here:

<http://bit.ly/PUCO14-1554-TP-ORD>

**IP Transition Collaborative:** As part of the ILEC deregulation provisions of House Bill 64, a collaborative process was created to study the IP transition and to assist the PUCO when an ILEC is preparing to abandon BLES service. The third meeting of the collaborative was held on February 23 and focused on affordability and competition. Again at this hearing, testimony was heard from a representative of the Ohio Consumers' Counsel, AT&T and the Ohio Telecom Association. Also testifying at this hearing was the Midwest Association of Competitive Communications Providers (MACC). The Ohio 911 Program Office presented to the Collaborative on Ohio's efforts at Next Generation 911. The minutes for this meeting and written testimony submitted are posted on the PUCO's website at the link below.

The next meeting is on April 7 (moved from March). Topics to be discussed are universal connectivity and advanced services. The remaining scheduled tentative meeting date and topics for discussion:

April 28 - FCC progress, consumer education

Please review the PUCO's collaborative website (link below) and contact OCTA Executive Director Jonathon McGee if you have any thoughts or wish for any information to be relayed to the collaborative. You may also sign up for updates from the PUCO on the process at this web page:

<http://bit.ly/PUCOTelephoneNetworkTransition>

Time Warner Cable offers candidates the opportunity to deliver effective, proven marketing solutions via high impact programming, hyper-local geographic targeting, proprietary cross-platform data, research and insights, and the ability to reach multiple screens within a single home.

The TWC Media team stressed the importance of candidates beginning to plan their advertising now for the upcoming general election.

Ohio Cable Telecommunications Association Executive Director Jonathon McGee said campaign professionals view cable as a must-have component of any comprehensive campaign strategy.

“In a battleground state like Ohio, especially with the presidential contest and a United States Senate race on the ballot in 2016, cable provides real value in helping deliver the right message to the right audience,” McGee said.



*Karen Steinbrunner of Time Warner Cable Media speaking to candidates and campaign strategists about the value of cable television advertising.*

## McFarland keynotes OCTA Legislative Luncheon

Ohio lawmakers received an at-times sobering international affairs briefing from one of America’s most respected national security analysts at the Ohio Cable Telecommunications Association’s 2016 Legislative Luncheon.

But the good news, Fox News analyst KT McFarland noted, is the United States is on the cusp of a second Great American Century.

McFarland, who has spent more than four decades on the forefront of global politics and national security, was the keynote speaker at OCTA’s February 24 luncheon in Columbus.

McFarland held national security posts in the Nixon, Ford and Reagan administrations, including serving as an aide to Dr. Henry Kissinger on the NSC Staff and as senior speechwriter to Secretary of Defense Caspar Weinberger. In 1985, she received the Defense Department’s highest civilian award for her work in the Reagan Administration.

McFarland detailed the world’s three main flashpoints: the Middle East, China and Russia.

Her discussion of foreign affairs was especially timely in a presidential year in the heart of the nation’s top battleground state.

The Legislative Luncheon was made possible through the generous support of OCTA members and friends. Thank you to our event sponsors: Buckeye CableSystem; Byers, Minton and Associates; Carpenter, Lipps & Leland; Comcast; Grant Street Consultants; MCTV; Ohio Utilities Protection Service; Precision Broadband Installation; Roetzel & Andress; Strategic Impact Consulting; The Batchelder Company; Ohio Council of Retail Merchants; Vanmeter, Ashbrook & Associates; and Vorys, Sater, Seymour and Pease.

A special thanks to Time Warner Cable for sponsoring the luncheon.



*Fox News analyst KT McFarland speaking at the Ohio Cable Telecommunications Association’s 2016 Legislative Luncheon.*



*KT McFarland with Ohio House Speaker Pro Tempore Ron Amstutz (R-Wooster).*



*Ohio Senate President Keith Faber talks with KT McFarland.*



*KT McFarland with Bob Gessner and Katherine Gessner of MCTV.*

particular is pretty interesting, but I think with all the periods of history that I have studied, there are always universal life lessons that you can get from those. Whether it's ancient Rome or Egypt or medieval history or even recent American history, I think a lot can be said for just sitting down and picking up a book sometimes.

**JM:** A few years ago, you and then-Senator Tim Grendell passed the "Founding Documents" bill, which requires high school students to study the Declaration of Independence, United States Constitution and Ohio Constitution. Tell us why you believe this is important?

**LO:** What we were trying to do there is get Ohio's history students back to basics. That instead of getting a thirdhand account or one paragraph about what the Bill of Rights is about, written by the author of the text book, we wanted students to actually take a look at these documents and study them individually. I think that is pretty important for a couple of reasons. We want students to learn history. We want them to understand so that they have the knowledge. We had seen some studies where they would survey 1,000 people and ask them really basic questions - how many branches of government are there, what are the powers that the federal government has, and those types of things - and for some of these you would get less than a quarter responding correctly. I think it is important that people graduating from high school in Ohio, who have studied American history and American government, actually understand that there are three branches of government, here are the responsibilities of each, here are the powers, here are the rights of the people that can't be infringed on, and I think that is important for democratic self-government. If you want people to participate in our democracy, they need to understand what makes America great, how the government runs, and what your rights are as citizens. I think this is one of the most fundamental aspects of our education system.

**JM:** Tell me about your family. I understand you have three daughters.

**LO:** My wife, Nicole, and I have been together since we were sophomores in high school. We were counselors at 4-H camp together and started dating and have been together ever since. We have three daughters who are nine, six and four. They just started snowboarding and that is taking up a lot of their weekends now. They are fantastic.

**JM:** What hobbies and interests do you pursue?

**LO:** I spend a lot of time making barbeque. At one time, I was a certified barbeque judge from the Kansas City Barbeque Society. That's sort of my zen moment for the week. I also spend a lot of time at the various parks around Medina County and the Cleveland Metroparks as well. I mentioned that I have three daughters. We sort of arbitrarily decided two years ago that we were going to go to every single park in Medina County and we would go to one a week until we are done. You go to the website and you actually see that there are 30-40 parks, and it is a much more challenging venture than we expected. So, we have worked our way through those, and we spend a lot of time at the Cleveland Museum of Natural History, Akron Zoo, Cleveland and Columbus Zoos and The Wilds. We have at one time or another been members of

probably all of those, and we try to hit at least one of those every other weekend, when I'm not in Columbus.

**JM:** Finally, do you have any advice for the cable industry?

**LO:** Sure. I'd just say, keep doing what you're doing. I think that we have some pretty good competition here in Ohio and I have one of the local providers, Armstrong, as my personal provider. I think that overall, the cable industry in Ohio is strong. The most important thing that the industry can do, and I would say this to anybody that asks me this question, is come in and give us your expertise on the issue. Legislators, Senator Faber likes to say, have to be a mile wide but sometimes only an inch deep. We touch so many different subjects that we can't be experts in all of them; frankly, there are always people outside the Statehouse that know more than we do about the particular subjects that we are legislating on. It's important that we hear from those people. So, again, we try to keep an open ear to everyone and getting information from the real experts is important.

Read more *Face to Face* interviews online.  
Click on *CableViews* at [www.octa.org](http://www.octa.org)

## Ohio Cable★PAC

Ohio Cable Political Action Committee

### Company Participation

(January 1 – March 1, 2016)

Company	Amount Raised	Goal
Armstrong Cable	\$0	\$2,496
Buckeye CableSystem	\$325	\$10,972
Comcast	\$0	\$1,430
Cox Communications	\$63	\$3,068
G.L.W. Broadband	\$0	\$400
MCTV	\$15,000	\$3,270
Suddenlink	\$0	\$1,400
<b>Total</b>	<b>\$15,388</b>	<b>\$23,036</b>

### Individual Contributions

#### Buckeye CableSystem

Jeff Abbas  
Mike Bilik  
Laurie Cichy  
Pamela Koontz  
Jessica Pitzen  
Sarah Riedeman  
Charles Riley  
James Wolsiffer

#### Erie County CableVision Inc.

Nicholas Vitou

#### MCTV

Robert Gessner  
Katherine Gessner  
Nancy Gessner

#### OCTA

April Barrowman

#### Cox Communications

Odell Anderson  
Steve Wild



# Cable Calendar

## SCTE Chapter Leadership Conference

www.scte.org

When: April 13-14  
Where: Atlanta Airport Marriott  
Atlanta, GA

## OCTA Legislative Reception & Technology Demo

www.octa.org

When: May 3  
Where: Vern Rife Center, 3rd Floor, Capitol Theater Lobby  
Columbus, OH

## ALEC Spring Task Force Summit

www.alec.org

When: May 6  
Where: Omni William Penn  
Pittsburgh, PA

## WICT Signature Luncheon

www.wict.org

When: May 16  
Where: Boston Convention & Exhibition Center  
Boston, MA

## INTX – The Internet & TV Expo (Hosted by NCTA)

www.intxshow.com

When: May 16-18  
Where: Boston Convention & Exhibition Center  
Boston, MA

## NAMIC Annual Awards Breakfast

www.namic.com

When: May 18  
Where: Boston Convention Center  
Boston, MA

## OCTA 2016 Golf Outing

www.octa.org

When: June 13  
Where: Pinnacle Golf Club  
Grove City, OH

## ALEC Annual Meeting

www.alec.org

When: July 27-29  
Where: J.W. Marriott  
Indianapolis, IN

## NCSL Legislative Summit

www.ncsl.org

When: August 8-11  
Where: McCormick Place W  
Chicago, IL

## WICT Leadership Conference

www.wict.org

When: September 19-20  
Where: New York Marriott Marquis  
New York, NY

## 30th Annual NAMIC Conference

www.namic.com

When: September 20-21  
Where: New York Marriott Marquis  
New York, NY

## ALEC State & Nation Policy Summit

www.alec.org

When: November 30 – December 2  
Where: Grand Hyatt  
Washington, DC

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[www.octa.org](http://www.octa.org)

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