

Approved February 24, 1987  
Date

MINUTES OF THE SENATE COMMITTEE ON JUDICIARY

The meeting was called to order by Senator Robert Frey at  
Chairperson

10:00 a.m./~~p.m.~~ on February 23, 19<sup>87</sup> in room 514-S of the Capitol.

~~All~~ members were present ~~except~~: Senators Frey, Hoferer, Burke, Feleciano, Gaines, Langworthy, Parrish, Talkington and Winter.

Committee staff present:

Mike Heim, Legislative Research Department  
Jerry Donaldson, Legislative Research Department  
Gordon Self, Office of Revisor of Statutes

Conferees appearing before the committee:

Arden Ensley, Office of Revisor of Statutes  
Senator David Kerr  
Senator Don Montgomery  
Ralph Skoog, Kansas Cable Television Association  
Arvill F. Johnson, Century Cable Television, Liberal  
Phillip Brown, Sumner Cable Television, Wellington  
Mark Wilson, Multimedia Cablevision, Wichita  
Carol Rothwell, American Cablevision, Kansas City  
Terry Jenson, Topeka Cablevision  
David Clark, Sunflower Cablevision, Lawrence  
Rob Marshall, Mid-America Cable Television Association

Arden Ensley, Office of Revisor of Statutes, explained he would have a series of ten amendments that would combine two versions and eliminate the second version from the statute book. He stated the amendments do not change the law. Senator Langworthy moved the bills be introduced. Senator Gaines seconded the motion, and the motion carried.

Senator David Kerr requested a bill be introduced concerning child molestation. Following his explanation, Senator Gaines moved the bill be introduced. Senator Hoferer seconded the motion, and the motion carried.

Senator Don Montgomery requested a bill be introduced concerning written test of the U.S. and Kansas Constitution for elected public officials. Following committee discussion, Senator Gaines made a conceptual motion the bill be introduced providing a written version be presented to the committee. Senator Langworthy seconded the motion.

Senate Bill 262 - Theft of satellite cable programming.  
Senate Bill 263 - Theft of cable television services.

Ralph Skoog, Kansas Cable Television Association, explained the two bills. The problem of unauthorized reception of cable services can be classified in two categories: (1) passive and (2) active. Passive unauthorized reception takes the form of reception by consumers of basic and premium cable services which results from internal cable operator procedures. Active unauthorized reception can occur at the consumer and commercial levels. Copies of his handouts are attached (See Attachments I, II, III). Mr. Skoog stated they are trying to have a model bill throughout the country.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON JUDICIARY,

room 514-S, Statehouse, at 10:00 a.m./~~p.m.~~ on February 23, 1987

Senate Bills 262 and 263 continued

Arvill F. Johnson, Century Cable Television, Liberal, appeared in support of the two bills. He stated when revenue dollars are lost to the parent company, revenue dollars are lost to state and to the city.

Phillip Brown, Sumner Cable Television, Wellington, appeared in support of the two bills. He said he had the same problems as others testifying today. In the rural areas they are also seeing areas of theft. The satellite equipment vendors advertise equipment to defeat the scrambling system we are putting into place at a higher price than we sell it.

Mr. Skoog added it is a violation of federal law to build, manufacture or design to descramble the scramble system.

Mark Wilson, Multimedia Cablevision, Wichita, testified in support of the bills. He stated they hire eight field personnel as well as office personnel to check accounts to identify illegal connections. They see a loss of \$150,000 a year for their system alone which is passed on to their subscribers.

Carol Rothwell, American Cablevision, Kansas City, appeared in support of the bills. She stated it is important to address this issue because tampering with a cable system is a criminal act which has been difficult to address. Cable theft hurts the paying customer, the cable companies, the cities and the state. A copy of her testimony is attached (See Attachment IV).

David Clark, Sunflower Cablevision, Lawrence, testified in support of the bill. He testified their company like most cable companies finds the job of combating cable theft to be an ongoing daily battle and nothing we do here today will solve the problem completely. We do our best as an industry to convey to the general public that we consider cable theft a serious offense and will prosecute offenders to the full extent of the law. A copy of his testimony is attached (See Attachment V).

Terry Jenson, Topeka Cablevision, appeared in support of the bill. He explained the In-House Audit Summary he had handed out to committee (See Attachment VI).

Rob Marshall, Mid-America Cable Television Association, pointed out in Senate Bill 262, Section 2, in line 66, the references to subsections (a) through (d) are incorrect.

Committee discussion was held on the bill. The chairman appointed a subcommittee of Senator Hoferer, chairperson, Senator Gaines and Senator Frey to study the bill and report back to the committee.

The hearings on Senate Bills 262 and 263 were concluded.

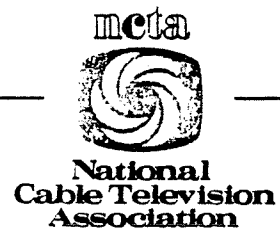
Senator Winter requested a bill be introduced concerning exempt city owned trash trucks from weight limitation. Following his explanation, Senator Winter moved the bill be introduced; Senator Gaines seconded the motion, and the motion carried.

The meeting adjourned.

A copy of the guest list is attached (See Attachment VII).



2-23-



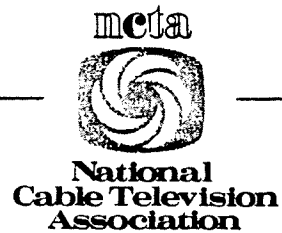
COMPARATIVE ANALYSIS OF STATE THEFT OF SERVICE LAWS

Prepared by  
Office of Cable Signal Theft  
National Cable Television Association

February, 1987



*Att. I*  
*Sen. Judd*  
*2-23-87*



COMPARATIVE ANALYSIS OF STATE THEFT OF SERVICE LAWS

TABLE OF CONTENTS

- I. Introduction
- II. Summary of Statutory Classifications
- III. Statutory Classifications
  - A. General
  - B. Cable-Specific
  - C. Prohibition of Unauthorized Reception
  - D. Prohibition of Assisting and Instructing
  - E. Prohibition of Unauthorized Connection
  - F. Prohibition of Tampering
  - G. Prohibition of Possession of Devices
  - H. Prohibition of Publishing Plans for Assembly
  - I. Prohibition of Advertising Devices or Services
  - J. Prohibition of Manufacture, Sale and Distribution
  - K. Presumptions
  - L. Civil Cause of Action
  - M. Penalties
    - 1. Felony
    - 2. Misdemeanor
    - 3. Graded by Value
    - 4. Unauthorized Reception
    - 5. Assisting and Instructing
    - 6. Unauthorized Connection
    - 7. Tampering
    - 8. Possession of Devices
    - 9. Publishing Plans for Assembly
    - 10. Advertising Devices or Services
    - 11. Manufacture Sale and Distribution





National  
Cable Television  
Association

## COMPARATIVE ANALYSIS OF STATE THEFT OF SERVICE LAWS

### I. Introduction

NCTA's Office of Cable Signal Theft (OCST) has conducted extensive research in the area of state theft of service laws. All state laws prohibit theft of services and most specifically prohibit cable theft. However, the statutory means used to establish these prohibitions vary greatly from state to state.

In order to facilitate comparative analyses of these state theft of service laws, the Office of Cable Signal Theft created a computerized legislation database. The legislation database has enabled OCST to enter information about the various provisions in the state laws (e.g., prohibited acts, penalties, presumptions, etc.) and then sort by provision classifications.

### II. Summary of Statutory Classifications

OCST has segregated theft of service laws into general and cable-specific categories. General theft of service statutes include these laws which define services broadly and those laws which prohibit theft of telecommunications or utility service. By contrast, cable-specific laws specifically define cable as a service or establish separate sections prohibiting theft of cable television service. Forty-one states have cable-specific theft laws. The remaining nine states, and the District of Columbia have general theft laws under which it is arguable that cable television, as a service, is protected. The creation of a cable-specific law makes clear to the public the nature of the prohibitions and eliminates the need for an aggrieved plaintiff or prosecutor to establish that cable television is a service under the statute.

The following is a summary of the statutory provision classifications. The classifications include types of prohibited activities, presumptions, civil causes of action and penalties.

#### Prohibited Activities

Unauthorized Reception: Thirty-seven states prohibit unauthorized reception of cable services. This includes both general and cable-specific statutes that have provisions making it unlawful to "obtain or attempt to obtain cable television service," or "direct service to his own use," or include language such as "for the purpose of intercepting or receiving." These types of prohibitions are directed at the actual viewing of cable services without authority and are distinguishable from unauthorized connection provisions which are directed at the actual physical connection or attachment to the cable system (see below).



I

Assisting or Instructing: Twenty states have provisions which prohibit any one from assisting or instructing others in the unauthorized reception of cable service. These provisions include language such as "assisting or instructing any other person in obtaining cable service," or "diverting services to the benefit of others," or "appropriating the property to the use of a third person," or "aiding in the avoidance of lawful compensation," etc. The assisting or instructing offense should be included in a theft of cable service statute in order to prohibit those persons or firms inclined to provide cable service to third parties without authority. Such a prohibition, properly drafted, should encompass both the individual who wants to help his or her neighbor obtain cable service without payment, and the individual or firm that is making unauthorized connections, for profit, on behalf of third persons.

Unauthorized Connections: Twenty-nine states prohibit unauthorized connection. These prohibitions are crafted utilizing language such as "making or maintaining an unauthorized connection [or a connection without payment]," or "attaches, or causes to be attached to other equipment," etc. As mentioned above, these prohibitions are directed at unauthorized physical connections to the cable system.

Tampering: Thirty-four states prohibit tampering with cable television decoders or other equipment. These statutory provisions utilize language such as "tampering," or "obtaining service by other means," or "making or maintaining an alteration or modification to a device," etc. Tampering is a particularly serious offense, since a person could legitimately obtain the lowest level of cable service from the cable operator and then tamper with or alter the decoder device so as to facilitate reception of all additional levels of service without payment.

Possession: Twenty states prohibit the possession of devices, instruments or equipment which facilitate unauthorized reception of cable services. Possessory offenses are useful in state theft of service statutes where a subscriber moves from one residence to another without returning the cable equipment to the cable company, or where a subscriber is disconnected and refuses to return the equipment. Some state laws include presumptions for possession with intent to sell. In these states, quantities or volumes of decoders seized and the totality of circumstances surrounding the arrest may be sufficient to support the presumption.

Publishing Plans for Assembly: Twenty states prohibit publishing plans or instructions for the assembly of devices or printed circuit boards, which devices or boards are designed to facilitate unauthorized reception. When a person or firm publishes such plans or instructions, they are aiding and abetting the commission of other theft of cable service offenses by third parties who use the plans to build "bootleg" devices and then connect them without the authorization of the cable system.

Advertising of Devices: Nineteen states prohibit the advertising of devices capable of facilitating theft of cable services. Most states require proof that the advertiser manifested some level of intent or knowledge that the products would be used for fraudulent purposes. Since many dealers of illegal cable equipment use advertising as their key marketing mechanism, the prohibition of advertising in these circumstances enables aggrieved cable operators or prosecutors to prevent distribution in the jurisdiction through court action.

Manufacture, Sale and Distribution of Devices: Twenty-eight states prohibit the manufacture, sale and distribution of devices which are intended to facilitate theft of cable services. Such devices would include, converters, descrambler/decoder devices, printed circuits, and computer chips capable of receiving and/or reconstituting cable signals. Common amongst most state laws is the requirement that the manufacturer, distributor or seller (which ever the case may be) manifest some level of intent to defraud the cable operators of lawful compensation.

#### **Presumptions**

Twenty-five states and the District of Columbia have theft of service statutes which include presumptions. These presumptions statutorily create inferences from the establishment of certain basic facts. The statutory presumptions vary greatly from state to state. For example, Alabama's statute presumes the defendant's intent to violate the law where it is established that he/she had connected a device which permits reception of cable service without payment and that the device was in his/her actual possession. New Jersey's statute presumes that the defendant tampered with cable equipment where it is shown that there is evidence of tampering (e.g., cuts, damages, destroying wires, etc.) with a device on the defendant's property.

Statutorily created presumptions have been subjected to court review. However, properly crafted, presumptions can withstand the rigorous scrutiny given by the United States Supreme Court. OCST has retained the Washington, D.C. law firm of Pierson, Ball and Dowd to draft an opinion on the constitutionality of the presumptions contained in the Uniform State Law Prohibiting Theft of Cable Service and Satellite Programming. Copies of this opinion are available for those interested.

#### **Civil Cause of Action**

Only 12 states expressly provide civil causes of action to aggrieved parties. These civil provisions include equitable relief, as well as varying damages (e.g., actual, statutory, punitive, treble, violator's profits, attorneys fees and costs).



The inclusion of a civil cause of action in state theft of service statutes is of critical importance. First, it relieves cable operators of the burden of finding some common law claim, such as conversion or tortious interference with contract, and proving that they have a claim under the common law. Second, it enables cable operators to protect their businesses through private enforcement. In the situation where public law enforcement resources are unavailable, the cable operator is still able to enjoin violations of the statute and seek remedies for injuries sustained.

#### Penalties

Penalties in state theft of service vary greatly from state to state. Twenty states have felony provisions. Forty-six states have misdemeanor provisions. Eighteen states grade violations by the value of services stolen. The statutory classifications which follow in section III.M contain ranges for fines and incarceration for the first violation of each prohibited act (n.b., some states provide for enhanced penalties for second offenders).

**II. STATUTORY CLASSIFICATIONS**

A. STATES WHICH HAVE GENERAL THEFT OF SERVICE LAWS

STATE	STATUTE CITATION
DC	D.C. Code Ann. Sec. 22-3801
DE	Del. Code Ann. Sec. 845
KY	Kentucky Pen. Code Sec. 514.060
ME	Me. Rev. Stat. Sec. 17-A-357
ME	Me. Rev. Stat. 17-A-907
MS	Miss. Code Ann. Sec. 97-25-1
ND	N.D. Cent. Code Sec. 12.1-23-03
OR	Or. Rev. Stat. Sec. 164.125
UT	Ut. Code Ann. Sec. 76-6-409.1
UT	Ut. Code Ann. Sec. 76-6-409
WI	Wisc. Stat. Ann. Sec. 943.45
WV	W. Va. Code Ann. 61-3-24(a)
WY	Wyom. Stat. Sec. 37-12-123
WY	Wyom. Stat. Sec. 37-12-122
WY	Wyom. Stat. Sec. 37-12-124

I

**B. STATES WHICH HAVE CABLE-SPECIFIC THEFT OF SERVICE LAWS**

STATE	STATUTE CITATION
AK	Alaska Statues 11.46.200
AL	Act No. 86-228
AR	Arkansas Crim. Code 41-22-10 thru 14
AZ	Arizona Revised Statutes Section 13-3709
CA	Cal. Penal Code Sec. 593 d
CO	Colo. Rev. Stat. Sec. 18-4-701
CT	Conn. Penal Code Sec. 53a-119
FL	Fla. Stat. Ann Sec. 812.14
GA	Ga. Code Ann. Sec 46-5-3
GA	Ga. Code Ann. Sec. 46-5-2
HI	Haw. Rev. Stat. Sec. 275-9
IA	Iowa Code Ann. Sec. 714.1
ID	Idaho Code Section 18-6714
ID	Idaho Code Sec. 18-6713
IL	Ill. Crim. Code Sec. 38-16-11
IL	Ill. Crim. Code Sec. 38-16-10
IL	Ill. Crim. Code Sec. 38-16-12
IN	Ind. Code Sec. 35-43-5-6
KS	Kan. Stat. Ann Sec. 21-3752
LA	La. Rev. Stat. Sec. 14:222.1
MA	Mass. Gen. Laws Chapter 166, Sec. 42A
MA	Mass. Gen. Laws Chapter 166, Sec. 42B
MD	Md. Code Ann. Art. 27, Sec. 194(b)
MI	M.C.L.A. Sec. 750.540(c)
MN	Minn. Stat. Ann. Sec. 609.52(12)
MO	H.B. No. 1231, 83rd General Assembly (1986)
MT	Mont. Code Ann Sec. 45-6-306
NC	N.C. Gen. Stat. Sec. 14-118.5
NE	Neb. Rev. Stat. Sec. 28-515
NH	N.H.R.S.A. Sec. 638-5a
NJ	N.J.S. 2C: 20-8
NM	N.M. Stat. Ann. Sec. 63-10-1
NV	Nev. Code Ann. Sec. 205.470
NY	MK. Cons. N.Y. Penal Code Sec. 165.15(4)
OK	Okla. Stat. Ann. Sec. 21-1737
PA	Pa. Stat. Ann. Sec. 18.3926
RI	R.I. Gen. Laws Sec. 11-35-16
RI	R.I. Gen. Laws Sec. 11-3-25

STATE	STATUTE CITATION
SC	S.C. Code Sec. 16-11-830
SC	S.C. Code Sec. 16-11-835
SC	S.C. Code Sec. 16-11-820
SC	S.C. Code Sec. 16-11-845
SC	S.C. Code Sec. 16-11-840
SC	S.C. Code Sec. 16-11-825
SD	S.D. Comp. Laws Sec. 22-30A-9
SD	S.D. Comp. Laws Sec. 22-30A-8
TN	Tenn. Code Ann. Sec. 39-3-1136
TX	Tx. Penal Code Sec. 31.12
TX	Tx. Penal Code Sec. 31.13
VA	Va. Code Ann. Sec. 18.2-165
VA	Va. Code Ann. Sec. 18.2-165.1
VT	Vt. Stat. Ann. Sec. 13-3786
WA	Wash. Rev. Code Chapter 9A-56

C. STATES WHICH PROHIBIT UNAUTHORIZED RECEPTION

STATE	STATUTE CITATION
AK	Alaska Statues 11.46.200
AL	Act No. 86-228
AR	Arkansas Crim. Code 41-22-10 thru 14
CO	Colo. Rev. Stat. Sec. 18-4-701
CT	Conn. Penal Code Sec. 53a-119
DC	D.C. Code Ann. Sec. 22-3801
DE	Del. Code Ann. Sec. 845
FL	Fla. Stat. Ann Sec. 812.14
GA	Ga. Code Ann. Sec. 46-5-2
IA	Iowa Code Ann. Sec. 714.1
ID	Idaho Code Sec. 18-6713
IL	Ill. Crim. Code Sec. 38-16-10
IN	Ind. Code Sec. 35-43-5-6
KS	Kan. Stat. Ann Sec. 21-3752
KY	Kentucky Pen. Code Sec. 514.060
MA	Mass. Gen. Laws Chapter 166, Sec. 42A
ME	Me. Rev. Stat. Sec. 17-A-357
MO	H.B. No. 1231, 83rd General Assembly (1986)
MT	Mont. Code Ann Sec. 45-6-306
ND	N.D. Cent. Code Sec. 12.1-23-03
NE	Neb. Rev. Stat. Sec. 28-515
NJ	N.J.S. 2C: 20-8
NV	Nev. Code Ann. Sec. 205.470
NY	MK. Cons. N.Y. Penal Code Sec. 165.15(4)
OK	Okla. Stat. Ann. Sec. 21-1737
OR	Or. Rev. Stat. Sec. 164.125
PA	Pa. Stat. Ann. Sec. 18.3926
RI	R.I. Gen. Laws Sec. 11-35-16
SC	S.C. Code Sec. 16-11-845
SC	S.C. Code Sec. 16-11-820
SD	S.D. Comp. Laws Sec. 22-30A-8
TN	Tenn. Code Ann. Sec. 39-3-1136
UT	Ut. Code Ann. Sec. 76-6-409
VA	Va. Code Ann. Sec. 18.2-165.1
WA	Wash. Rev. Code Chapter 9A-56
WI	Wisc. Stat. Ann. Sec. 943.45
WV	W. Va. Code Ann. 61-3-24(a)
WY	Wyom. Stat. Sec. 37-12-123
WY	Wyom. Stat. Sec. 37-12-122

D. STATES WHICH PROHIBIT ASSISTING OR INSTRUCTING ANY PERSON IN THE  
UNAUTHORIZED RECEPTION OF CABLE SERVICES

STATE	STATUTE CITATION
AK	Alaska Statues 11.46.200
AL	Act No. 86-228
AR	Arkansas Crim. Code 41-22-10 thru 14
DC	D.C. Code Ann. Sec. 22-3801
ID	Idaho Code Section 18-6714
IL	Ill. Crim. Code Sec. 38-16-10
IL	Ill. Crim. Code Sec. 38-16-12
MA	Mass. Gen. Laws Chapter 166, Sec. 42A
MO	H.B. No. 1231, 83rd General Assembly (1986)
ND	N.D. Cent. Code Sec. 12.1-23-03
NY	MK. Cons. N.Y. Penal Code Sec. 165.15(4)
OK	Okla. Stat. Ann. Sec. 21-1737
OR	Or. Rev. Stat. Sec. 164.125
PA	Pa. Stat. Ann. Sec. 18.3926
RI	R.I. Gen. Laws Sec. 11-35-16
SC	S.C. Code Sec. 16-11-830
SC	S.C. Code Sec. 16-11-845
SD	S.D. Comp. Laws Sec. 22-30A-9
TN	Tenn. Code Ann. Sec. 39-3-1136
UT	Ut. Code Ann. Sec. 76-6-409
VA	Va. Code Ann. Sec. 18.2-165.1
WY	Wyom. Stat. Sec. 37-12-122

E. STATES WHICH PROHIBIT UNAUTHORIZED CONNECTION

STATE	STATUTE CITATION
AL	Act No. 86-228
AR	Arkansas Crim. Code 41-22-10 thru 14
AZ	Arizona Revised Statutes Section 13-3709
CA	Cal. Penal Code Sec. 593 d
CO	Colo. Rev. Stat. Sec. 18-4-701
CT	Conn. Penal Code Sec. 53a-119
CT	Pub. Act No. 84-496
DE	Del. Code Ann. Sec. 845
FL	Fla. Stat. Ann Sec. 812.14
IL	Ill. Crim. Code Sec. 38-16-11
LA	La. Rev. Stat. Sec. 14:222.1
MD	Md. Code Ann. Art. 27, Sec. 194(b)
MN	Minn. Stat. Ann. Sec. 609.52(12)
MO	H.B. No. 1231, 83rd General Assembly (1986)
MS	Miss. Code Ann. Sec. 97-25-1
NC	N.C. Gen. Stat. Sec. 14-118.5
NE	Neb. Rev. Stat. Sec. 28-515
NH	N.R.R.S.A. Sec. 637-8
NJ	N.J.S. 2C: 20-8
NM	N.M. Stat. Ann. Sec. 63-10-1
NY	MK. Cons. N.Y. Penal Code Sec. 165.15(4)
OK	Okla. Stat. Ann. Sec. 21-1737
PA	Pa. Stat. Ann. Sec. 18.3926
SC	S.C. Code Sec. 16-11-825
TN	Tenn. Code Ann. Sec. 39-3-1136
TX	Tx. Penal Code Sec. 31.12
UT	Ut. Code Ann. Sec. 76-6-409
VA	Va. Code Ann. Sec. 18.2-165
VA	Va. Code Ann. Sec. 18.2-165.1
WI	Wisc. Stat. Ann. Sec. 943.45
WY	Wyom. Stat. Sec. 37-12-122



F. STATES WHICH PROHIBIT TAMPERING WITH CABLE DEVICES

STATE	STATUTE CITATION
AK	Alaska Statues 11.46.200
AL	Act No. 86-228
AR	Arkansas Crim. Code 41-22-10 thru 14
CA	Cal. Penal Code Sec. 593 d
CO	Colo. Rev. Stat. Sec. 18-4-701
CT	Conn. Penal Code Sec. 53a-119
CT	Pub. Act No. 84-496
DC	D.C. Code Ann. Sec. 22-3801
DE	Del. Code Ann. Sec. 845
FL	Fla. Stat. Ann Sec. 812.14
IL	Ill. Crim. Code Sec. 38-16-12
KS	Kan. Stat. Ann Sec. 21-3752
KY	Kentucky Pen. Code Sec. 514.060
LA	La. Rev. Stat. Sec. 14:222.1
MA	Mass. Gen. Laws Chapter 166, Sec. 42A
MD	Md. Code Ann. Art. 27, Sec. 194(b)
ME	Me. Rev. Stat. 17-A-907
MO	H.B. No. 1231, 83rd General Assembly (1986)
MS	Miss. Code Ann. Sec. 97-25-1
NC	N.C. Gen. Stat. Sec. 14-118.5
ND	N.D. Cent. Code Sec. 12.1-23-03
NE	Neb. Rev. Stat. Sec. 28-515
NJ	N.J.S. 2C: 20-8
NM	N.M. Stat. Ann. Sec. 63-10-1
NV	Nev. Code Ann. Sec. 205.470
NY	MK. Cons. N.Y. Penal Code Sec. 165.15(4)
OK	Okla. Stat. Ann. Sec. 21-1737
OR	Or. Rev. Stat. Sec. 164.125
PA	Pa. Stat. Ann. Sec. 18.3926
TN	Tenn. Code Ann. Sec. 39-3-1136
TX	Tx. Penal Code Sec. 31.12
VA	Va. Code Ann. Sec. 18.2-165.1
VT	Vt. Stat. Ann. Sec. 13-3786
WA	Wash. Rev. Code Chapter 9A-56
WI	Wisc. Stat. Ann. Sec. 943.45

G. STATES WHICH PROHIBIT THE POSSESSION OF CABLE DEVICES

STATE	STATUTE CITATION
AR	Arkansas Crim. Code 41-22-10 thru 14
CA	Cal. Penal Code Sec. 593 d
DC	D.C. Code Ann. Sec. 22-3801
GA	Ga. Code Ann. Sec 46-5-3
HI	Haw. Rev. Stat. Sec. 275-9
ID	Idaho Code Sec. 18-6713
IL	Ill. Crim. Code Sec. 38-16-12
MA	Mass. Gen. Laws Chapter 166, Sec. 42B
ME	Me. Rev. Stat. 17-A-907
MI	M.C.L.A. Sec. 750.540(c)
NC	N.C. Gen. Stat. Sec. 14-118.5
NE	Neb. Rev. Stat. Sec. 28-515
NH	N.H.R.S.A. Sec. 638-5a
NJ	N.J.S. 2C: 20-8
OK	Okla. Stat. Ann. Sec. 21-1737
RI	R.I. Gen. Laws Sec. 11-3-25
TN	Tenn. Code Ann. Sec. 39-3-1136
UT	Ut. Code Ann. Sec. 76-6-409.1
WI	Wisc. Stat. Ann. Sec. 943.45
WY	Wyom. Stat. Sec. 37-12-124

H. STATES WHICH PROHIBIT THE PUBLISHING OF PLANS  
FOR ASSEMBLY OF CABLE DEVICES

STATE	STATUTE CITATION
AL	Act No. 86-228
CA	Cal. Penal Code Sec. 593 d
CO	Colo. Rev. Stat. Sec. 18-4-701
GA	Ga. Code Ann. Sec 46-5-3
HI	Haw. Rev. Stat. Sec. 275-9
ID	Idaho Code Section 18-6714
ID	Idaho Code Sec. 18-6713
IL	Ill. Crim. Code Sec. 38-16-10
IL	Ill. Crim. Code Sec. 38-16-12
MA	Mass. Gen. Laws Chapter 166, Sec. 42B
MI	M.C.L.A. Sec. 750.540(c)
MO	H.B. No. 1231, 83rd General Assembly (1986)
NH	N.H.R.S.A. Sec. 638-5a
OK	Okla. Stat. Ann. Sec. 21-1737
PA	Pa. Stat. Ann. Sec. 18.3926
RI	R.I. Gen. Laws Sec. 11-3-25
SC	S.C. Code Sec. 16-11-835
TN	Tenn. Code Ann. Sec. 39-3-1136
TX	Tx. Penal Code Sec. 31.13
UT	Ut. Code Ann. Sec. 76-6-409.1
VA	Va. Code Ann. Sec. 18.2-165.1
WY	Wyom. Stat. Sec. 37-12-124

I. STATES WHICH PROHIBIT THE ADVERTISING OF ANY DEVICE DESIGNED TO PERMIT  
THE UNAUTHORIZED RECEPTION OF CABLE SERVICES

STATE	STATUTE CITATION
AR	Arkansas Crim. Code 41-22-10 thru 14
AZ	Arizona Revised Statutes Section 13-3709
CA	Cal. Penal Code Sec. 593 d
GA	Ga. Code Ann. Sec 46-5-3
HI	Haw. Rev. Stat. Sec. 275-9
ID	Idaho Code Section 18-6714
ID	Idaho Code Sec. 18-6713
IL	Ill. Crim. Code Sec. 38-16-12
MA	Mass. Gen. Laws Chapter 166, Sec. 42B
MI	M.C.L.A. Sec. 750.540(c)
NE	Neb. Rev. Stat. Sec. 28-515
OK	Okla. Stat. Ann. Sec. 21-1737
PA	Pa. Stat. Ann. Sec. 18.3926
RI	R.I. Gen. Laws Sec. 11-3-25
SC	S.C. Code Sec. 16-11-835
TN	Tenn. Code Ann. Sec. 39-3-1136
UT	Ut. Code Ann. Sec. 76-6-409.1
VA	Va. Code Ann. Sec. 18.2-165.1
WA	Wash. Rev. Code Chapter 9A-56
WY	Wyom. Stat. Sec. 37-12-124

J. STATES WHICH PROHIBIT THE MANUFACTURE, SALE AND DISTRIBUTION OF DEVICES

STATE	STATUTE CITATION
AL	Act No. 86-228
AR	Arkansas Crim. Code 41-22-10 thru 14
AZ	Arizona Revised Statutes Section 13-3709
CA	Cal. Penal Code Sec. 593 d
CO	Colo. Rev. Stat. Sec. 18-4-701
CT	Pub. Act No. 84-496
GA	Ga. Code Ann. Sec 46-5-3
HI	Haw. Rev. Stat. Sec. 275-9
ID	Idaho Code Section 18-6714
ID	Idaho Code Sec. 18-6713
IL	Ill. Crim. Code Sec. 38-16-10
IL	Ill. Crim. Code Sec. 38-16-12
LA	La. Rev. Stat. Sec. 14:222.1
MA	Mass. Gen. Laws Chapter 166, Sec. 42B
MI	M.C.L.A. Sec. 750.540(c)
MO	H.B. No. 1231, 83rd General Assembly (1986)
NC	N.C. Gen. Stat. Sec. 14-118.5
NE	Neb. Rev. Stat. Sec. 28-515
NH	N.H.R.S.A. Sec. 638-5a
NJ	N.J.S. 2C: 20-8
NY	MK. Cons. N.Y. Penal Code Sec. 165.15(4)
OK	Okla. Stat. Ann. Sec. 21-1737
PA	Pa. Stat. Ann. Sec. 18.3926
RI	R.I. Gen. Laws Sec. 11-3-25
SC	S.C. Code Sec. 16-11-840
SC	S.C. Code Sec. 16-11-845
TN	Tenn. Code Ann. Sec. 39-3-1136
TX	Tx. Penal Code Sec. 31.13
UT	Ut. Code Ann. Sec. 76-6-409.1
VA	Va. Code Ann. Sec. 18.2-165.1
WY	Wyom. Stat. Sec. 37-12-124

I

K. STATES WHICH INCLUDE PRESUMPTIONS IN THEIR THEFT OF SERVICE STATUTES

STATE	STATUTE CITATION
AK	Alaska Statues 11.46.200
AL	Act No. 86-228
AR	Arkansas Crim. Code 41-22-10 thru 14
CO	Colo. Rev. Stat. Sec. 18-4-701
DC	D.C. Code Ann. Sec. 22-3801
DE	Del. Code Ann. Sec. 845
FL	Fla. Stat. Ann Sec. 812.14
ID	Idaho Code Sec. 18-6713
IL	Ill. Crim. Code Sec. 38-16-10
IL	Ill. Crim. Code Sec. 38-16-11
IL	Ill. Crim. Code Sec. 38-16-12
IN	Ind. Code Sec. 35-43-5-6
KY	Kentucky Pen. Code Sec. 514.060
MD	Md. Code Ann. Art. 27, Sec. 194(b)
MO	H.B. No. 1231, 83rd General Assembly (1986)
MT	Mont. Code Ann Sec. 45-6-306
NC	N.C. Gen. Stat. Sec. 14-118.5
NJ	N.J.S. 2C: 20-8
NY	MK. Cons. N.Y. Penal Code Sec. 165.15(4)
OH	Oh. Rev. Code Ann. Sec. 2913-02
OK	Okla. Stat. Ann. Sec. 21-1737
PA	Pa. Stat. Ann. Sec. 18.3926
SC	S.C. Code Sec. 16-11-820
TN	Tenn. Code Ann. Sec. 39-3-1136
TX	Tx. Penal Code Sec. 31.12
VA	Va. Code Ann. Sec. 18.2-165.1
WA	Wash. Rev. Code Chapter 9A-56
WV	W. Va. Code Ann. 61-3-24(a)

I

L. STATES WHICH PROVIDE A CIVIL CAUSE OF ACTION  
IN THEIR THEFT OF SERVICE STATUTES

STATE	STATUTE CITATION
AL	Act No. 86-228
CA	Cal. Penal Code Sec. 593 d
CO	Colo. Rev. Stat. Sec. 18-4-701
FL	Fla. Stat. Ann Sec. 812.14
ID	Idaho Code Sec. 18-6713
IL	Ill. Crim. Code Sec. 38-16-10
IL	Ill. Crim. Code Sec. 38-16-11
IL	Ill. Crim. Code Sec. 38-16-12
MO	H.B. No. 1231, 83rd General Assembly (1986)
NC	N.C. Gen. Stat. Sec. 14-118.5
OK	Okla. Stat. Ann. Sec. 21-1737
TN	Tenn. Code Ann. Sec. 39-3-1136
VT	Vt. Stat. Ann. Sec. 13-3786
WA	Wash. Rev. Code Chapter 9A-56

**M. PENALTIES FOR VIOLATIONS OF STATE THEFT OF SERVICE STATUTES**



1. STATES WHICH MAKE THEFT OF SERVICE A FELONY

STATE	STATUTE CITATION
AK	Alaska Statues 11.46.200
AZ	Arizona Revised Statutes Section 13-3709
CT	Pub. Act No. 84-496
DC	D.C. Code Ann. Sec. 22-3801
DE	Del. Code Ann. Sec. 845
GA	Ga. Code Ann. Sec 46-5-3
IA	Iowa Code Ann. Sec. 714.1
KY	Kentucky Pen. Code Sec. 514.060
MO	H.B. No. 1231, 83rd General Assembly (1986)
NH	N.H.R.S.A. Sec. 638-5a
ND	N.D. Cent. Code Sec. 12.1-23-03
OH	Oh. Rev. Code Ann. Sec. 2913-02
OR	Or. Rev. Stat. Sec. 164.125
PA	Pa. Stat. Ann. Sec. 18.3926
RI	R.I. Gen. Laws Sec. 11-3-25
UT	Ut. Code Ann. Sec. 76-6-409
VA	Va. Code Ann. Sec. 18.2-165.1
WI	Wisc. Stat. Ann. Sec. 943.45
WV	W. Va. Code Ann. 61-3-24(a)
WY	Wyom. Stat. Sec. 37-12-122

2. STATES WHICH MAKE THEFT OF SERVICE A MISDEMEANOR

STATE	STATUTE CITATION
AK	Alaska Statues 11.46.200
AL	Act No. 86-228
AR	Arkansas Crim. Code 41-22-10 thru 14
AZ	Arizona Revised Statutes Section 13-3709
CA	Cal. Penal Code Sec. 593 d
CO	Colo. Rev. Stat. Sec. 18-4-701
CT	Conn. Penal Code Sec. 53a-119
DC	D.C. Code Ann. Sec. 22-3801
DE	Del. Code Ann. Sec. 845
FL	Fla. Stat. Ann Sec. 812.14
GA	Ga. Code Ann. Sec. 46-5-2
IA	Iowa Code Ann. Sec. 714.1
ID	Idaho Code Sec. 18-6713
IL	Ill. Crim. Code Sec. 38-16-10
IL	Ill. Crim. Code Sec. 38-16-11
IL	Ill. Crim. Code Sec. 38-16-12
KS	Kan. Stat. Ann Sec. 21-3752
KY	Kentucky Pen. Code Sec. 514.060
MD	Md. Code Ann. Art. 27, Sec. 194(b)
ME	Me. Rev. Stat. Sec. 17-A-357
ME	Me. Rev. Stat. 17-A-907
MI	M.C.L.A. Sec. 750.540(c)
MN	Minn. Stat. Ann. Sec. 609.52(12)
MO	H.B. No. 1231, 83rd General Assembly (1986)
MS	Miss. Code Ann. Sec. 97-25-1
ND	N.D. Cent. Code Sec. 12.1-23-03
NE	Neb. Rev. Stat. Sec. 28-515
NH	N.H.R.S.A. Sec. 638-5a
NM	N.M. Stat. Ann. Sec. 63-10-1
NV	Nev. Code Ann. Sec. 205.470
NY	MK. Cons. N.Y. Penal Code Sec. 165.15(4)
OH	Oh. Rev. Code Ann. Sec. 2913-02
OK	Okla. Stat. Ann. Sec. 21-1737
OR	Or. Rev. Stat. Sec. 164.125
PA	Pa. Stat. Ann. Sec. 18.3926
RI	R.I. Gen. Laws Sec. 11-35-16
SC	S.C. Code Sec. 16-11-830
SC	S.C. Code Sec. 16-11-835
SC	S.C. Code Sec. 16-11-820
SC	S.C. Code Sec. 16-11-845
SC	S.C. Code Sec. 16-11-840
SC	S.C. Code Sec. 16-11-825

I

STATE	STATUTE CITATION
SD	S.D. Comp. Laws Sec. 22-30A-9
SD	S.D. Comp. Laws Sec. 22-30A-8
TN	Tenn. Code Ann. Sec. 39-3-1136
TX	Tx. Penal Code Sec. 31.12
TX	Tx. Penal Code Sec. 31.13
UT	Ut. Code Ann. Sec. 76-6-409
UT	Ut. Code Ann. Sec. 76-6-409.1
VA	Va. Code Ann. Sec. 18.2-165
VA	Va. Code Ann. Sec. 18.2-165.1
WA	Wash. Rev. Code Chapter 9A-56
WI	Wisc. Stat. Ann. Sec. 943.45
WV	W. Va. Code Ann. 61-3-24(a)
WY	Wyom. Stat. Sec. 37-12-123
WY	Wyom. Stat. Sec. 37-12-124

3. STATES WHICH GRADE THEFT OF SERVICE VIOLATIONS  
BY THE VALUE OF SERVICES STOLEN

STATE	STATUTE CITATION
AK	Alaska Statues 11.46.200
CT	Conn. Penal Code Sec. 53a-119
DC	D.C. Code Ann. Sec. 22-3801
DE	Del. Code Ann. Sec. 845
IA	Iowa Code Ann. Sec. 714.1
KY	Kentucky Pen. Code Sec. 514.060
ME	Me. Rev. Stat. Sec. 17-A-357
ME	Me. Rev. Stat. 17-A-907
MN	Minn. Stat. Ann. Sec. 609.52(12)
MO	H.B. No. 1231, 83rd General Assembly (1986)
ND	N.D. Cent. Code Sec. 12.1-23-03
OH	Oh. Rev. Code Ann. Sec. 2913-02
OR	Or. Rev. Stat. Sec. 164.125
PA	Pa. Stat. Ann. Sec. 18.3926
RI	R.I. Gen. Laws Sec. 11-35-16
UT	Ut. Code Ann. Sec. 76-6-409
VA	Va. Code Ann. Sec. 18.2-165.1
WI	Wisc. Stat. Ann. Sec. 943.45
WV	W. Va. Code Ann. 61-3-24(a)

4. PENALTIES FOR UNAUTHORIZED RECEPTION

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
AK graded by value	120	0	50,000	0
AL Misdemeanor Class B	6	0	1,000	0
AR Misdemeanor Class B	3	0	500	0
CO Misdemeanor Second Class	12	3	1,000	250
CT graded by value	240	0	10,000	0
DC graded by value	200	0	5,000	0
DE graded by value	84	0	10,000	0
FL Misdemeanor First Class	12	0	1,000	0
GA Misdemeanor	12	0	1,000	0
IA graded by value	200	0	10,000	0

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
ID Misdemeanor	6	0	300	0
IL Misdemeanor Class A	12	0	1,000	0
IN Class B Infraction	0	0	1,000	0
KS Misdemeanor Class C	1	0	500	0
KY graded by value	60	0	10,000	0
MA Unclassified	1	0	100	0
ME graded by value	200	0	10,000	0
MO graded by value	84	0	5,000	0
MT Unclassified	6	0	500	0
ND graded by value	120	0	10,000	0
NE Misdemeanor Second Class	6	0	1,000	0

I

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
NJ Disorderly Persons	6	0	1,000	0
NV Misdemeanor	6	0	1,000	0
NY Misdemeanor Class A	12	0	1,000	0
OH graded by value	60	0	2,500	0
OK Misdemeanor	6	0	1,000	0
OR graded by value	60	0	100,000	0
PA graded by value	84	0	15,000	0
RI graded by value	36	0	3,000	0
SC Misdemeanor	1	0	200	0
SC Misdemeanor	1	0	200	0
SD Misdemeanor Second Class	1	0	100	0

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
TN Misdemeanor	6	0	1,000	0
UT graded by value	180	0	10,000	0
VA graded by value	12	0	1,000	0
WA Gross Misdemeanor	12	0	5,000	0
WI graded by value	24	0	10,000	0
WV graded by value	120	0	500	0
WY Misdemeanor	12	0	1,000	0
WY Felony First Class	60	0	500	50



5. PENALTIES FOR ASSISTING OR INSTRUCTING

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
AK graded by value	120	0	50,000	0
AL Misdemeanor Class B	6	0	1,000	0
AR Misdemeanor Class B	3	0	500	0
DC graded by value	120	0	5,000	0
ID Unclassified	6	0	500	0
IL Misdemeanor Class A	12	0	1,000	0
IL Misdemeanor Class A	12	0	1,000	0
MA Unclassified	1	0	100	0
MO graded by value	84	0	5,000	0
ND graded by value	120	0	10,000	0

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
NY Misdemeanor Class A	12	0	1,000	0
OK Misdemeanor	6	0	1,000	0
OR graded by value	60	0	100,000	0
PA graded by value	84	0	15,000	0
RI graded by value	36	0	3,000	0
SC Misdemeanor	1	0	200	0
SC Misdemeanor	1	0	200	0
SD Misdemeanor Second Class	1	0	100	0
TN Misdemeanor	6	0	1,000	0
UT graded by value	180	0	10,000	0
VA graded by value	12	0	1,000	0
WY Felony First Class	60	0	500	50

H

6. STATES PROHIBITING UNAUTHORIZED CONNECTION

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
AL Misdemeanor Class B	6	0	1,000	0
AR Misdemeanor Class B	3	0	500	0
AZ Misdemeanor Second Class	4	0	750	0
CA Misdemeanor	3	0	1,000	0
CO Misdemeanor Second Class	12	3	1,000	250
CT graded by value	240	0	10,000	0
CT Felony Class D	60	12	500	0
DE graded by value	84	0	10,000	0
FL Misdemeanor First Class	12	0	1,000	0
IL Misdemeanor Class A	6	0	500	0

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
LA Unclassified	0	0	100	0
MD Misdemeanor	6	0	500	0
MN graded by value	120	0	20,000	0
MO graded by value	84	0	5,000	0
MS Misdemeanor	6	0	750	250
NC Unclassified	1	0	500	0
NE Misdemeanor Second Class	6	0	1,000	0
NH Class B Felony	84	0	2,000	0
NJ Disorderly Persons	6	0	1,000	0
NM Petty Misdemeanor	6	0	500	0
NY Misdemeanor Class A	12	0	1,000	0

I

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
OK Misdemeanor	6	0	1,000	0
PA graded by value	84	0	15,000	0
SC Misdemeanor	1	0	200	0
TN Misdemeanor	6	0	1,000	0
TX Misdemeanor Class B	12	0	2,000	0
UT graded by value	180	0	10,000	0
VA Misdemeanor Third Class	0	0	500	0
VA graded by value	12	0	1,000	0
WI graded by value	24	0	10,000	0
WY Felony First Class	60	0	500	50

7. PENALTIES FOR TAMPERING

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
AK graded by value	120	0	50,000	0
AL Misdemeanor Class B	6	0	1,000	0
AR Misdemeanor Class B	3	0	500	0
CA Misdemeanor	3	0	1,000	0
CO Misdemeanor Second Class	12	3	1,000	250
CT graded by value	240	0	10,000	0
CT Felony Class D	60	12	500	0
DC graded by value	120	0	5,000	0
DE graded by value	84	0	10,000	0
FL Misdemeanor First Class	12	0	1,000	0

I

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
IL Misdemeanor Class A	12	0	1,000	0
KS Misdemeanor Class C	1	0	500	0
KY graded by value	60	0	10,000	0
LA Unclassified	0	0	100	0
MA Unclassified	1	0	100	0
MD Misdemeanor	6	0	500	0
ME graded by value	120	0	10,000	0
MO graded by value	84	0	5,000	0
MS Misdemeanor	6	0	750	250
NC Unclassified	1	0	500	0
ND graded by value	120	0	10,000	0

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
NE Misdemeanor Second Class	6	0	1,000	0
NJ Disorderly Persons	6	0	1,000	0
NM Petty Misdemeanor	6	0	500	0
NV Misdemeanor	6	0	1,000	0
NY Misdemeanor Class A	12	0	1,000	0
OK Misdemeanor	6	0	1,000	0
OR graded by value	60	0	100,000	0
PA graded by value	84	0	15,000	0
TN Misdemeanor	6	0	1,000	0
TX Misdemeanor Class B	6	0	1,000	0
VA graded by value	12	0	1,000	0



STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
VT Unclassified	0	0	100	0
WA Gross Misdemeanor	12	0	5,000	0
WI graded by value	24	0	10,000	0

8. PENALTIES FOR POSSESSION OF DEVICES

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
AR Misdemeanor Class B	3	0	500	0
CA Misdemeanor	3	0	10,000	0
DC graded by value	120	0	5,000	0
GA Felony	60	12	1,000	0
HI Unclassified	60	12	1,000	0
ID Misdemeanor	6	0	300	0
IL Misdemeanor Class A	12	0	1,000	0
MA Unclassified	12	0	2,000	0
ME graded by value	120	0	10,000	0
MI Misdemeanor	12	0	500	0

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
NC Unclassified	6	0	500	0
NE Misdemeanor Second Class	6	0	1,000	0
NH Misdemeanor	12	0	1,000	0
NJ Disorderly Persons	6	0	1,000	0
OK Misdemeanor	6	0	1,000	0
RI Misdemeanor	12	0	500	0
TN Misdemeanor	6	0	1,000	0
UT Misdemeanor Class A	12	0	1,000	0
WI graded by value	24	0	10,000	0
WY Misdemeanor	12	0	1,000	0

21. PENALTIES FOR PUBLISHING PLANS FOR ASSEMBLY

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
AL Misdemeanor Class B	6	0	1,000	0
CA Misdemeanor	3	0	10,000	0
CO Misdemeanor Second Class	12	3	1,000	250
GA Felony	60	12	1,000	0
HI Unclassified	60	12	1,000	0
ID Unclassified	6	0	500	0
ID Misdemeanor	12	0	1,000	0
IL Misdemeanor Class A	12	0	1,000	0
IL Misdemeanor Class A	12	0	1,000	0
MA Unclassified	12	0	2,000	0

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
MI Misdemeanor	12	0	500	0
MO graded by value	84	0	5,000	0
NH Felony Class B	84	42	2,000	0
OK Misdemeanor	6	0	1,000	0
PA graded by value	84	0	15,000	0
RI Felony	36	0	3,000	0
SC Misdemeanor	1	0	200	0
TN Misdemeanor	6	0	1,000	0
TX Misdemeanor Class A	12	0	2,000	0
UT Misdemeanor Class A	12	0	1,000	0
VA graded by value	12	0	1,000	0
WY Misdemeanor	12	0	1,000	0

10. PENALTIES FOR ADVERTISING ILLEGAL DEVICES

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
AR Misdemeanor Class B	3	0	500	0
AZ Felony Sixth Class	18	0	150,000	0
CA Misdemeanor	90	0	10,000	0
GA Felony	60	12	1,000	0
HI Unclassified	60	12	1,000	0
ID Unclassified	6	0	500	0
ID Misdemeanor	12	0	1,000	0
IL Misdemeanor Class A	12	0	1,000	0
MA Unclassified	12	0	2,000	0
MI Misdemeanor	12	0	500	0

I

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
NE Misdemeanor Second Class	6	0	1,000	0
OK Misdemeanor	6	0	1,000	0
PA Misdemeanor Third Class	12	0	2,500	0
RI Felony	36	0	3,000	0
SC Misdemeanor	1	0	200	0
TN Misdemeanor	6	0	1,000	0
UT Misdemeanor Class A	12	0	0	0
VA graded by value	12	0	1,000	0
WA Gross Misdemeanor	12	0	5,000	0
WY Misdemeanor	12	0	1,000	0

11. PENALTIES FOR MANUFACTURE, SALE & DISTRIBUTION

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
AL Misdemeanor Class B	6	0	1,000	0
AR Misdemeanor Class B	3	0	500	0
AZ Felony Sixth Class	18	0	150,000	0
CA Misdemeanor	0	0	10,000	0
CO Misdemeanor Second Class	12	3	1,000	250
CT Felony Class D	60	12	500	0
GA Felony	60	12	1,000	0
HI Unclassified	60	12	1,000	0
ID Unclassified	6	0	500	0
ID Misdemeanor	12	0	1,000	0



STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
IL Misdemeanor Class A	12	0	1,000	0
IL Misdemeanor Class A	12	0	1,000	0
LA Unclassified	0	0	500	0
MA Unclassified	12	0	2,000	0
MI Misdemeanor	12	0	500	0
MO graded by value	84	0	5,000	0
NC Unclassified	6	0	500	0
NE Misdemeanor Second Class	6	0	1,000	0
NH Felony Class B	84	42	200	0
NJ Disorderly Persons	6	0	1,000	0
NY Misdemeanor Class A	12	0	1,000	0

STATE MAX PENALTY CLASS	MAX MONTHS	MIN MONTHS	MAX FINES	MIN FINES
OK Misdemeanor	6	0	1,000	0
PA graded by value	84	0	15,000	0
RI Felony	36	0	3,000	0
SC Misdemeanor	1	0	200	0
SC Misdemeanor	1	0	200	0
TN Misdemeanor	6	0	1,000	0
TX Misdemeanor Class A	12	0	2,000	0
UT Misdemeanor Class A	12	0	0	0
VA graded by value	12	0	1,000	0
WY Misdemeanor	12	0	1,000	0

2-23-87

meta



National  
Cable Television  
Association

**UNAUTHORIZED RECEPTION OF CABLE AND SATELLITE PROGRAMMING**

The Nature Of The Problem, Its Effects, And The Need For Legislation

Prepared by  
Office of Cable Signal Theft  
National Cable Television Association

February 1987



Att. II  
Sen. Gold.  
2-23-87

nccta



**National  
Cable Television  
Association**

---

**UNAUTHORIZED RECEPTION OF CABLE AND SATELLITE PROGRAMMING**

**NATURE OF THE UNAUTHORIZED RECEPTION PROBLEM**

In order to fully understand the nature of the unauthorized reception of cable services, it is important to break the problem down into its component parts. Unauthorized reception of cable services can be classified in two categories: (1) passive, and (2) active. Active unauthorized reception, or "piracy", can be further subdivided into consumer and commercial sub-classifications.

"Passive" unauthorized reception takes the form of reception by consumers of basic and premium cable services which results from internal cable operator procedures. In this sense, the consumers are really not culpably intending to violate any laws. The two most common instances of "passive" unauthorized viewership arise from improper disconnect procedures and the failure to properly enter a work-order.

"Active" unauthorized reception can occur at the consumer and commercial levels. Active consumer piracy occurs where individuals knowingly, and willfully, make illegal physical connections to the cable system or tamper with reception equipment in order to bypass cable system security, thereby enabling the consumer to "intercept or receive" cable services without payment of the lawful compensation. At the commercial level, piracy includes unauthorized reception as well as the manufacture and distribution of illegal decoder devices. Unauthorized commercial reception occurs in the same manner as individual consumer unauthorized reception by the making of a physical connection to the cable system or the use of an illegal or tampered reception device. However, because the reception of cable programming is in a commercial establishment, such reception results in financial gain to the proprietor. The typical violation here occurs in bars and hotels. There exists another class of active commercial pirates: those who are involved in the manufacture, sale and distribution of equipment which is intended to defraud cable operators of subscription fees. These cable decoder pirates, in many cases, facilitate the commission of active consumer and active commercial unauthorized reception by providing the illegal cable decoder.



## THE EFFECTS OF UNAUTHORIZED RECEPTION

In 1983, Showtime/The Movie Channel, a national pay cable supplier, conducted a research study into the causes and effects of unauthorized reception of cable services. Showtime/The Movie Channel found that, on a national basis, unauthorized reception costs the cable industry nearly \$897 million annually.<sup>1</sup> The research methodology involved polling a sampling of cable operators across the nation. The conclusions are based on relatively simple mathematical calculations:

30,000,000 basic cable subscribers in 1983  
12.3% unauthorized hook-ups receiving basic and pay services = 3,690,000  
5% tampered/defeated decoders receiving pay services only = 1,500,000

### Nationwide revenue loss:

3,690,000 x \$17.00 x 12 = \$752,760,000  
(# of illegals (avg. bill) (months)  
basic & pay)

1,500,000 x \$ 8.00 x 12 = \$144,000,000  
(# of pay (avg. pay (months)  
only illegals) rate)

**TOTAL: \$896,760,000**

Showtime/The Movie Channel's research also concluded that 47 percent of the unauthorized reception problem was attributable to "passive" problems resulting from cable operator error. The remaining 53 percent was the direct result of "active" piracy. Of the total problem, 14 percent was attributable to organized decoder rings.

In 1986, NCTA's Office of Cable Signal Theft revisited the Showtime/The Movie Channel research. Based on today's cable marketplace, approximately \$1.4 billion is lost to the cable industry.

37,124,000 basic cable subscribers in 1986<sup>2</sup>  
12.3% unauthorized hook-ups receiving basic and pay services = 4,566,252  
5% tampered/defeated decoders receiving pay services only = 1,856,200

- 
1. Showtime/The Movie Channel research, used with permission.
  2. Estimated by Paul Kagan Associates, Inc., used with permission.

Nationwide revenue loss:

4,566,252 x \$21.56 2/ x 12 = \$1,181,380,717  
(# of illegals (avg. bill) (months)  
basic & pay)

1,856,200 x \$10.51 2/ x 12 = \$ 234,103,944  
(# of pay (avg. pay (months)  
only illegals) rate)

**TOTAL: \$1,415,484,661**

Based on Showtime/The Movie Channel's finding that 14% of all revenue loss is attributable to illegal decoder distribution rings, approximately \$200 million is lost annually to the cable industry as a result of the these pirates' plundering.

Unauthorized reception costs the cable industry over \$1.4 Billion annually in lost revenues. It also has the effect of eroding investor confidence in the cable industry.<sup>3</sup> In the market for cable systems, investors establish the market value of a cable system by multiplying the number of paying cable subscribers times a factor of approximately \$1,500 per subscriber.<sup>4</sup> Assuming that 30 percent of the unauthorized viewers could be converted to paying status once detected, this represents approximately \$1.7 billion loss in equity value to the cable industry.

But the effects of illegal decoder sales and other forms of cable piracy are felt beyond the bottom line of the cable industry. In cable systems where the sale of illegal decoders flourishes, the lost cash flow negatively impacts the cable system operator's ability to maintain a high level of service quality. It also affects the cable system's ability to reinvest proceeds in the development of programming for the cable system.

Further, the proliferation of unauthorized devices in the cable system can prove detrimental to the technical integrity of the cable system. The problems manifest themselves in "noise" on the system. Such "noise" lessens the quality of the cable service for those customers who are legitimately paying for it. It also results in "egress." This is signal leakage which can interfere with FAA and other radio frequencies used by the public.

---

3. Showtime/The Movie Channel research.

4. Paul Kagan Associates, Inc. estimates that the average price for subscriber was \$1,428. Cable TV Investor, November 28, 1986.

The manufacture, sale and distribution of illegal cable decoding equipment is also detrimental to the program distribution mechanism. This mechanism works as follows. Programming produced in Hollywood and elsewhere is sold to program suppliers such as Home Box Office, Showtime/The Movie Channel, ESPN and The Disney Channel. In some instances, original programming may be produced by the supplier itself. These program suppliers in turn distribute this programming via satellite to cable system affiliates across the country. The cable system affiliates in turn sell these services to individual subscribers for a monthly fee. When a decoder pirate sells an illegal black box in the marketplace, it results in lost revenue to the cable system, as well as to each of the participants in the distribution chain.

Beyond the direct economic injury suffered by the cable industry, the sale of decoders translates into lost dollars for states and their political subdivisions which often tax cable systems based on gross revenues. The consumer who purchases an illegal decoder device is also defrauded of the money used for the purchase. In many instances, the defrauded consumer is unaware that the purchase, and use of such an unauthorized device, can subject him or her to criminal or civil liability under both state and federal laws.

#### **THE NEED FOR STATE LEGISLATION IN THE AREA OF CABLE AND SATELLITE PIRACY**

Along with the explosive growth of cable television and the direct to home satellite cable programming in the 1980s has come an expansive growth in piracy of both cable and satellite signals. As mentioned previously, National Cable Television Association's (NCTA's) Office of Cable Signal Theft (OCST) estimated that in 1986 over \$1.4 billion has been lost this year as a result of unauthorized viewership.

The cable industry has taken significant steps to police its own internal problems. Many cable operators have offered amnesty to those unauthorized viewers who have voluntarily come forward. A large number of cable companies have also conducted full-scale tap audits of their cable systems to detect unauthorized viewership and correct the problems by disconnecting unauthorized viewers, or converting them to paying status. These efforts have had a significant impact on reducing "passive" unauthorized reception.

But where individuals and commercial establishments continue to willfully defraud cable television companies through "active" forms of unauthorized reception, the industry must be able to turn to the courts. Many cable operators are finding that federal law enforcement officials are often unable to help them because of other pressing priorities, while state law enforcement agencies may not have the resources to be of assistance. Consequently, there is a need for a "dual enforcement mechanism."

The Cable Communications Policy Act of 1984 prohibits both satellite and cable piracy. And since federal law does not preempt in this area, 41 states already have laws on the books covering some of the illegal forms of "active" unauthorized reception described above. But nine states (Delaware, Kentucky, Maine, Mississippi, North Dakota, Utah, West Virginia, Wisconsin and Wyoming) and the District of Columbia still do not have cable-specific theft of service statutes. For those states that do have cable-specific theft of service laws, many of them have not kept pace with the development of new types of cable theft, or have penalties which are not stringent enough to act as a deterrent against cable theft. Moreover, no states, of which OCST is aware, specifically prohibit satellite piracy.

Consequently, OCST has developed a Uniform State Law which would cover both satellite and cable piracy. With the assistance of two Washington, D.C. law firms, Pierson, Ball and Dowd, and Fleischman and Walsh, OCST crafted a substantial piece of legislation which can be used by states, or their political subdivision as a model for passing new legislation or amending existing laws.



2-23-87



**Box 3306 Lawrence, Kansas 66046**

Rob Marshall, Executive Director  
Ph. (913) 841-9241

February 21, 1987

Ralph -

RE/Kansas Cable System Statistics

Cable Systems - 361

Communities Served - 441

Subscribers Served - 484,570

Thumbnail estimates:

484,570 subs x \$20 monthly fee = \$9,491,400

10% illegals x 9,491,400 = \$949,140

12 mos. x 949,140 = \$11,389,680

NCTA's computation method outlined in its Unauthorized Reception paper would yield higher numbers.

State sales tax - 4% of 11,389,680 = \$455,587

Franchise fee @ 5% of 11,389,680 = \$569,484

*Attach III  
Senate Judiciary  
2-23-87*

KANSAS SENATE JUDICIARY COMMITTEE

SB 263 - 2/23/87

I. INTRODUCTION

I'm Carol Rothwell from American Cablevision in the Kansas City area. Our company has 127,000 customers; about a third of them are on the Kansas side in Johnson, Wyandotte and Leavenworth counties. I want to commend your committee for considering the cable theft bill, and confess that I haven't had a chance to read it yet.

II. DEFINITION OF CABLE THEFT

It's important to address this issue because tampering with a cable system is a criminal act which has been difficult to address. We define cable theft as taking or helping others take products or services for which payment is expected. It ranges from the person who buys a splitter and hooks up an additional TV set in his own home, to people who make a living selling illegal hook-ups door to door.

Cable theft hurts:

- 1) The paying customer who has to subsidize the illegals, and who may suffer poor reception or total loss of signal because of someone else tampering with the lines.
- 2) The cable companies; my company loses several million dollars in revenue every year, based on our own continuous investigations.
- 3) Cities lose their share of franchise fees if people steal service. Franchise fees range from 3-5% of the cable company's gross revenue.
- 4) In Kansas, the state loses its share of the taxes on cable service.

III. OTHER LAWS

National figures showed a 10-12% rate of cable theft three years ago. Our own audits in Kansas City showed similar rates. Two years ago, the Congress responded by making cable theft a serious crime with penalties as part of

*Att. IV  
Sen. Jud.  
2-23-87*

the 1984 Cable Act. Many municipalities have passed laws to address cable theft, and by last year, over half the states had new, tougher state laws.

#### IV. MISSOURI'S EXPERIENCE

Missouri was one of those states, and our new law is among the toughest because it considers prima facie evidence sufficient for charges, and because it has both civil and criminal penalties. We involved the state's county prosecutors and got their assurance the law was going to work. We also had to assure the legislature we wouldn't be going after "little ladies in tennis shoes", as one of them put it. The law is intended to deter otherwise honest citizens from tampering with the cable system, and to allow us to stop the full-time cable thieves who have plagued the industry.

We kicked off our new Missouri law by having a much-publicized "Amnesty Month". There was a lot of media attention, including press conferences by the Attorney General, to be sure people were aware of the law. During the month, American Cablevision added over 1500 new billing units that had been stolen from us before then. When the month ended, the Jackson County Prosecutor filed the first felony case, 7 counts against a man we'd been investigating for many months who had illegally sold cable to several hundred Kansas Citians.

#### V. RESULTS

In the year since Missouri's new law and the publicity surrounding it, we have seen significant decreases in "illegals"--we think that 10-12% rate has decreased 25%. We have converted many of the former individual illegals to paying customers, and that means they've paying our company, and we're paying the city and state taxes. And we think people know Missouri isn't a good place to make a living at cable crimes. I hope Kansas will be the next state to get serious about this issue, and I encourage the passage of SB 263. Thank you.

IV

TESTIMONY OF THE WORLD CO./ DBS SUNFLOWER CABLEVISION

LAWRENCE, KANSAS

TO: Judiciary Committee of the Kansas Senate

FR: Dave Clark, General Manager, Sunflower Cablevision  
February 23, 1987

Members of the committee, thank you for the opportunity to testify before you this morning with regards to Senate Bills No. 262 and 263. My name is David Clark and I am General Manger for Sunflower Cablevision which serves more than 16,000 cable subscribers in Lawrence and Eudora, Kansas.

Our company like most cable companies finds the job of combatting cable theft to be an on-going daily battle and nothing we do here today will solve the problem completely. We do our best as an industry to convey to the general public that we consider cable theft a serious offense and will prosecute offenders to the fullest extent of the law. The product we sell is highly desireable and someone will always try to get it for nothing.

In my experience, the general public does not view cable theft as a serious crime. Many see it as a victimless crime, yet the victims are numerous. The cable operator is deprived of his livelihood, the local franchising authority is deprived of its franchise fee, the program suppliers and producers are deprived of fair payment for their product and honest cable subscribers are forced to pay higher rates for service.

To combat the ever growing problem of cable theft, operators across the country are forced to change their technologies frequently and at tremendous expense. In December, 1984 our company changed the method we use to scramble our premium services like HBO simply because the knowledge to defeat the system had become widespread. At most coctail parties you could find out how to turn \$3.00 worth of Radio Shack parts into an excellent HBO decoder.

*Attach. V  
Senate Judiciary  
2-23-87*

That change cost Sunflower in excess of \$250,000. Less than 3 years later, we are in the process of evaluating a newer, more secure system at more than twice that cost.

During the last several years Sunflower has reported more than 50 cases of cable theft to local authorities. These cases which were prosecuted under the current state statute and a local municipal ordinance which was patterned after the state law. In most cases, we have been able to recover whatever revenues we can prove were stolen. Most cases receive a diversionary agreement. Nothing reimburses us for the tremendous amount of time we must devote to a case. The message that is delivered under our current laws is - If you get caught, you pay for what you stole and go home with a slap on the wrist. We have to rely on quantity and publicity as the sole deterrent. Theft in our community, however seems to be more prevalent than ever.

Recently, Sunflower learned of an individual who was importing and selling converter/decoder devices so that a person would only have to subscribe to our basic cable service and with the device could receive all of Sunflower's premium channel offerings (HBO, Cinemax, Showtime, and Disney) for free. Subsequent investigation turned up at least two individuals who had purchased the devices and had been using them for several months.

In our opinion and the opinion of the Douglas County District Attorney, Jim Flory, the current state statute was not adequate to deal with a problem of this magnitude. We therefore filed a civil action in Federal District Court against the three individuals under the Cable Communications Act of 1984, the federal law after which the bills before you were patterned. That case is pending.

What makes it unique and clearly demonstrates the scope of the problem is the fact that the two individuals accused of using the pirated boxes are Lawrence Police Officers. When one officer was questioned about whether he had checked the legality of what he was doing, he stated, "I checked our City ordinance on it, and I also

checked State Law on it and didn't see where -- you know, I didn't feel it would be a violation, any type of violation."

Whether this is an example of an unclear statute or demonstrates a lack of respect for the law is debatable. It does, however, illustrate rather graphically the unwillingness of the public to view cable-theft as a crime. If the very people sworn to enforce our laws treat it so casually, what can we expect from the average citizen. I doubt seriously if you would get the same response if the charge were shoplifting yet to the cable operator in your community, there is very little difference. The "cable thief" walks off with our inventory everyday and, in most cases, doesn't have to leave the privacy of his own home to do it.

The bills before you will help to convey the message that cable theft is a crime. I urge you to give them most serious consideration. Thank you for allowing us this time.

IV

