



**House
Legislative
Analysis
Section**

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**INCREASE VARIOUS CRIMINAL
FINES/REVISE TELECOM
PENALTIES**

**House Bill 6079 as enrolled
Public Act 672 of 2002
Sponsor: Rep. James Koetje**

**House Committee: Criminal Justice
Senate Committee: Judiciary**

Second Analysis (2-7-03)

THE APPARENT PROBLEM:

Maximum penalties for criminal violations are specified in statute. Typically, the maximum term of imprisonment and the maximum fine for a violation are indicated in the same provision that proscribes a particular criminal activity. Some feel that the maximum fines in statute for various misdemeanor offenses are too low. Many of these fine amounts have not been adjusted for inflation or increased since their enactment decades ago.

In unrelated matter, current law prohibits the wearing of a mask or face coverings in public – including when assembling, marching, or parading – except in a few specified instances, such as going to or from a masquerade. Reportedly, protestors who were arrested and charged with a misdemeanor under this provision of law sued on the grounds that the law violated their constitutional rights to free speech. At the request of the Office of Attorney General, legislation is being offered to clarify the application of the prohibition on wearing masks in public.

Further, in another unrelated matter, representatives from the Motion Picture Association of American have approached Michigan lawmakers for help in stemming the problem of piracy of copyrighted materials via the use of various telecommunications devices. As the Motion Picture Association of America explains on the anti-piracy section of its web site, the industry has long relied on “a carefully planned sequential release of movies, first releasing feature films in cinemas, then to home video, and then to other media”. Planning this sequential release also involves calculating when to release films into foreign markets, which Hollywood relies on to supplement domestic revenues. More recently, HBO and other producers of original cable programming have begun to sequentially release popular series such as “The Sopranos” and “Sex and the City” on

videocassette tape and digital video disc (DVD) so that people who do not subscribe to HBO can watch such programs, too. Industry officials argue that sequential release benefits studios by increasing their return (or minimizing their loss) on their investments and that consumers benefit by having additional options for the price and conditions of viewing.

In addition, industry officials argue, video pirates upset this fine balance: for instance, according to the MPAA, *Star Wars: Episode 1 – The Phantom Menace* lost sales in the Asian market because pirates used digital camcorders to record the film as it played in U.S. theaters and made copies widely available before the film even reached Asian cinemas. Reportedly, the movie *Spiderman* was widely available on the Internet before release in the theatres. While such free-riding clearly hurts the studios it is the honest ticket-buying filmgoers who end up paying for the costs of piracy through increased ticket prices.

With the growth of broadband service and digitized programming, many people fear that pirating—especially digital pirating—of movies, cable television programs, and other audio-visual “content” will become increasingly common and increasingly costly. Because the thousandth or ten-thousandth digital copy of a movie or television program is as pure as the original, the quality of the copy surpasses that of analog copies. Also, someone who gets a clean copy of a movie or cable program can upload the content and make it available to anyone with a web connection. Although downloading a two-hour movie with a dial-up connection can take twelve hours or longer, someone with a high-speed connection can download it in a far shorter period of time.

House Bill 6079 (2-7-03)

While copyright is a matter of federal law, Michigan has established civil and criminal penalties for the manufacture and use of devices designed to help people illicitly obtain cable television and other telecommunications content. Some people who use these devices to circumvent telecommunications service providers do so with no intent to copy and distribute the films, shows, or other content to others. However, others do intend to do so, and so motion picture industry officials and others concerned with digital piracy see prohibitions against the manufacture and use of devices such as descramblers, smart cards, or cable modems used to view cable television without receiving authorization from the cable company as one battle within the larger campaign. It has been suggested that the Michigan Penal Code's provisions dealing with the illicit use of telecommunications access devices be updated to encompass a broader range of ongoing and anticipated activities, especially those involving digital theft.

THE CONTENT OF THE BILL:

The bill would amend the Michigan Penal Code to increase the maximum fines for various misdemeanor offenses, clarify the offense of wearing a mask during the commission of a crime and make it a 93-day misdemeanor offense, and revise various provisions pertaining to telecommunication devices.

Misdemeanor fines. Some misdemeanor convictions carry the possibility of a fine, imprisonment, or both. Often a statute specifies a maximum amount that a court could impose for a particular offense. The bill would amend the Michigan Penal Code to increase the maximum amount of a fine that could be imposed by a court for a conviction of various misdemeanor offenses, as follows:

- From a maximum fine of \$100 to \$500: Improper burial of a dead animal; act against a pregnant woman resulting in physical injury to the embryo or fetus; requiring employees to insure with a particular insurance company; serving nonapproved notice on debtor; advertising, printing, or publishing lottery tickets; false report of a commission of a crime; first offense of unauthorized use of vehicle but without intent to steal; purchase by employee upon public credit for own use; and knowingly publishing a telecommunication access device with intent it be used.
- From a maximum fine of \$100 to \$1,000: Unmarried woman concealing the death of an issue of her body; and offering for sale or using a false

weight or measure in the buying and selling of any commodity or thing or for hire or reward.

- From a maximum fine of \$250 to \$750: Failure to register a docked horse; taking money from vending machines, coin changers, etc.; breaking into outside showcase; bribing a law enforcement officer; entering into contract for market price-fixing or restricting amount of production of product; using reproachful language in print for not accepting or fighting a duel; physician fee-splitting; physicians employing "drummers" to solicit patients; knowingly leasing house for prostitution, etc.; and basing discipline or discharge of railroad employee on report of railroad detective without giving notice to employee and providing hearing; neglecting or refusing to suppress riotous or unlawful assembly.

- From a maximum of \$300 to \$750: Sale of kerosene with flashpoint of less than 100 degrees Fahrenheit.

- From a maximum fine of \$500 to \$750: Solicitation of personal injury claims or selling or buying identity of patient.

- From a maximum fine of \$500 to \$1,000: Fraudulently adulterating any drug or medicine; possessing with intent to sell or selling adulterated cream or butter; deceptive/false advertising; advertising cure or products to treat or cure sexual diseases, loss of manhood, or to produce miscarriage; trick or acrobatic flying that endangers life or property on the ground; flying below 1,500 feet; intentionally causing physical harm to a police dog or police horse; docking a horse's tail when not medically necessary; taking or giving bribes for business purposes; interfering with child custody order; using child under 16 years of age for wire walking, contortionist, gymnast, or obscene purpose, etc. if possibly injurious to the child; accepting bribe to conceal the commission of a felony offense; dueling; smuggling object to prisoner to aid in escape; aiding prisoner to escape; refusal to serve process or apprehend person resulting in escape of person; aiding in escape of prisoner being transported through state; escaping from lawful custody; falsely acting as law enforcement officer, conservation officer, constable, or coroner; wearing disguise to obstruct or hinder due execution of law; impersonating public officer or public employee and further operation of legal process so as to affect persons or property; knowingly making false statement about property valuation for purpose of obtaining credit; raising false alarm of fire in public place; counterfeiting an identifying mark or using,

possessing, or delivering a counterfeit mark; possessing a counterfeit mark with intent to use or deliver; marking merchandise as “silver”, etc., unless 925/1000 of parts of article are pure silver; making or selling article falsely marked as coin or coin silver; obtaining or attempting to falsely register animals as pure-breds; making fraudulent records of milk and butter fat production of cows; practicing medicine under a false or assumed name; accepting money contingent on outcome of contest; keeping gambling house; keeping, operating, etc., room with devices for registering bets or buying or selling betting pools; advertising the making or laying of bets; possession of pool tickets, pool books, etc.; winning not more than \$50 by betting; selling or publishing reports of betting odds on certain horse races; participating in any capacity in horse races not authorized by law; lewd and lascivious behavior; indecent exposure; larceny from vacant buildings; second or subsequent offense of libel and slander; false or misleading statements regarding insurance companies; removing or destroying buoy; desertion from military service; resisting and inciting resistance to military draft; concealing or harboring deserters; unneeded request for ambulance; physician prescribing drug, poison, or medicine while intoxicated; knowingly selling diseased, corrupted, or unwholesome meat or drink; willful neglect of duty by public officer or employee; officer collecting money in excess of fine due, etc, and not paying over same amount; refusal by public officer to furnish or copy public documents; equipping vehicle to receive signals assigned for police purposes; making false report to police broadcasting station; copper or silver mine employee or other person selling, etc., any raw or unmanufactured metals.

- From a maximum fine of \$1,000 to \$1,500: Intentionally causing physical harm to a police dog or horse during commission of a crime; second or subsequent offense of impersonating public officer or public employee and further operation of legal process so as to affect persons or property; making false statements in writing to a bank, firm, or corporation engaged in banking, etc. regarding his or her own financial condition or the condition of a bank, firm, etc. he or she is connected with; and using automobile without authority but without intent to steal.

Wearing a mask in public. Currently, it is a misdemeanor offense to assemble, march, or parade on any street, highway, or public place in the state while wearing a mask or covering which conceals – in whole or in part – the face of the wearer. The prohibition on masks or face coverings does not

apply to children on Halloween; to those going to and from a masquerade party; those participating in parades of minstrel troupes, circuses, or shows for entertainment; or those participating in a public parade of an educational, religious, or historical character.

Instead, the bill would specify that a person who intentionally concealed his or her identity by wearing a mask or other device covering his or her face for the purpose of facilitating the commission of a crime would be guilty of a misdemeanor punishable by imprisonment for not more than 93 days or a fine of not more than \$500, or both.

Telecommunication devices. House Bill 6079 would amend the Michigan Penal Code to expand the code’s prohibitions against using telecommunications devices to illicitly obtain telecommunications services. Specifically, the bill would do the following:

Definitions. The bill would delete definitions of “counterfeit telecommunications access device”, “telecommunications device”, and “counterfeit telecommunications device” as well as all references to such devices.

The bill would change most references to “telecommunications device” to “telecommunications access device”, and most references to “counterfeit telecommunications device” to “unlawful telecommunications access device”. (Some references would be left unchanged, despite the elimination from the code of definitions for “telecommunications device” and “counterfeit telecommunications device”.)

Currently the act defines “telecommunications” as “the origination, emission, transmission, or reception of data, images, signals, sounds, or other intelligence or equivalence of intelligence of any nature over any communications system by any method.” The act contains a separate definition of “telecommunications service” as “providing, allowing, facilitating, or generating any form of telecommunications through the use of telecommunications devices or telecommunications access devices over a telecommunications system”. The bill would eliminate these definitions and make “telecommunications” and “telecommunications service” interchangeable terms, defined as “service lawfully provided for a charge or compensation to facilitate the origination, transmission, retransmission, emission, or reception of signs, data, images, signals, writings, sounds, or other

intelligence or equivalence of intelligence of any nature over any telecommunications system by any method, including, but not limited to, electronic, electromagnetic, magnetic, optical, photo-optical, digital, or analog technologies”.

The bill would define “telecommunications system” as “any system, network, or facility owned or operated by a telecommunications service provider, including any radio, telephone, fiber optic, cable television, satellite, microwave, data transmission, wireless, or Internet based system, network, or facility”.

The bill would define “telecommunications service provider” as any of the following:

- a person or entity providing a telecommunications service, whether directly or indirectly as a reseller, including a cellular, paging, or other wireless communications company or other person or entity which for a fee supplies the facility, cell site, mobile switching office, or other equipment or telecommunications service;
- a person or entity owning or operating any fiber optic, cable television, satellite, Internet based, telephone, wireless, microwave, data transmission or radio distribution system, network, or facility;
- a person or entity providing any telecommunications service directly or indirectly by or through any distribution systems, networks, or facilities.

The bill would revise the definition of “telecommunications access device”. Currently, the term refers to an instrument, device, card, plate, code, telephone number, account number, personal identification number, electronic serial number, mobile identification number, counterfeit number, or “financial transaction device” (as defined elsewhere in the code) that alone or with another telecommunications access device can acquire, intercept, provide, receive, use, or otherwise facilitate the use of a telecommunications device, counterfeit telecommunications device, or telecommunications service. The bill would define “telecommunications access device” as any of the following:

- any instrument, device, card, plate, code, telephone number, account number, personal identification number, electronic serial number, mobile identification number, counterfeit number, or “financial transaction device” that alone or with another device can acquire, *transmit*, intercept,

provide, receive, use, or otherwise facilitate the use, *acquisition, interception, provision, reception, and transmission of any telecommunications service* (emphasis added); or

- any type of instrument, device, machine, equipment, technology, or software that facilitates telecommunications or which is capable of transmitting, acquiring, intercepting, decrypting, or receiving any telephonic, electronic, data, Internet access, audio, video, microwave, or radio transmissions, signals, telecommunications, or services, including the receipt, acquisition, interception, transmission, retransmission, or decryption of all telecommunications, transmissions, signals, or services provided by or through any cable television, fiber optic, telephone, satellite, microwave, data transmission, radio, Internet based or wireless distribution network, system, or facility, or security module, smart card, software, computer chip, pager, cellular telephone, personal communications device, transponder, receiver, modem, electronic mechanism or other component, accessory, or part of any other device that is capable of facilitating the interception, transmission, retransmission, decryption, acquisition, or reception of any telecommunications, transmissions, signals, or services.

The bill would define “unlawful telecommunications access device” as any of the following:

- a telecommunications access device that is false, fraudulent, unlawful, not issued to a legitimate telecommunications access device subscriber account, or otherwise invalid or that is expired, suspended, revoked, canceled, or otherwise terminated if notice of the expiration, suspension, revocation, cancellation, or termination has been sent to the telecommunications access device subscriber;
- any phones altered to obtain service without the express authority or actual consent of the telecommunications service provider, a clone telephone, clone microchip, tumbler telephone, tumbler microchip, or wireless scanning device capable of acquiring, intercepting, receiving, or otherwise facilitating the use, acquisition, interception, or receipt of a telecommunications service without the express authority or actual consent of the telecommunications service provider;
- any telecommunications access device that has been manufactured, assembled, altered, designed, modified, programmed, or reprogrammed, alone or in conjunction with another device, so as to be capable

of facilitating the disruption, acquisition, interception, receipt, transmission, retransmission, or decryption of a telecommunications service without the actual consent or express authorization of the telecommunications service provider, including any device, technology, product, service, equipment, computer software, or component or part, primarily distributed, sold, designed, assembled, manufactured, modified, programmed, reprogrammed, or used for the purpose of providing the unauthorized receipt of, transmission of, interception of, disruption of, decryption of, access to, or acquisition of any telecommunications service provided by any telecommunications service provider; or

- any type of instrument, device, machine, equipment, technology, or software that is primarily designed, assembled, developed, manufactured, sold, distributed, possessed, used, or offered, promoted, or advertised, for the purpose of defeating or circumventing any technology, device, or software, or any component or part, used by the provider, owner, or licensee of any telecommunications service or of any data, audio, or video programs or transmissions, to protect any such telecommunications, data, audio, or video services, programs, or transmissions from unauthorized receipt, acquisition, interception, access, decryption, disclosure, communication, transmission, or retransmission.

Using devices to avoid lawful charge for telecommunication service. Currently, the penal code prohibits persons from knowingly obtaining or attempting to obtain telecommunications service with the intent to avoid, to attempt to avoid, or to cause another to avoid or attempt to avoid any lawful charge for the service by using any of the following devices or means:

- a “telecommunications access device,” without the authority or consent of the subscriber or lawful holder of that device;
- a “telecommunications device” or “counterfeit telecommunications device”;
- a “counterfeit telecommunications access device”; or
- a fraudulent or deceptive scheme, pretense, method, or conspiracy or any other device or means.

Violations of this prohibition are defined as misdemeanors or felonies, depending on the value of the telecommunications service obtained or attempted

to be obtained and whether the offender has previously been convicted for violating the prohibition.

The bill would retain the basic prohibition against avoiding or attempting to avoid a lawful charge for telecommunications service but would revise the list of devices and means listed above. Under the bill, a person could not knowingly obtain or attempt to obtain service with the intent to avoid, to attempt to avoid, or to cause another to avoid or attempt to avoid any lawful charge for the service by using any of the following:

- a “telecommunications access device” (defined below);
- an “unlawful telecommunications access device” (defined below); or
- a fraudulent or deceptive scheme, pretense, method, or conspiracy or any (other) device or means.

Penalties for violations of the prohibition would remain the same. However, in addition to charges, values, and expenditures currently considered as part of the “value of the telecommunications service obtained or attempted to be obtained”, the courts would be directed to include in their consideration the value of all telecommunications services available to the violator and others as a result of the violation.

Telecommunications service and devices. Currently the code prohibits a person from manufacturing, possessing, “delivering”, offering to deliver, or advertising a counterfeit telecommunications device or a telecommunications device, if he or she intends to use the device or to allow the device to be used--or knows or has reason to know that the device is intended to be used--for either of the following illicit purposes:

- to obtain or attempt to obtain telecommunications service with the intent to avoid or aid or abet or cause another person to avoid any lawful charge for the service in violation of the prohibition described above; or
- to conceal the existence or place of origin or destination of any telecommunications service.

In addition to these basic prohibitions, the code prohibits persons from delivering, offering to deliver, or advertising plans, written instructions, or materials for the manufacture of a counterfeit telecommunications device or for the manufacture of

a telecommunications device that the person intends to be used or knows or has reason to know will be used or is likely to be used for the purposes listed above. “Deliver”, as used in these prohibitions, means “to actually or constructively sell, give, loan, or otherwise transfer a telecommunications device, counterfeit telecommunications device, plans, written instructions, or materials to another person.”

A person who violates these prohibitions is guilty of a felony punishable by imprisonment for not more than four years or a fine of not more than \$2,000 or both. A counterfeit telecommunications device used in violation of these prohibitions is subject to forfeiture, as provided in the RJA, and the court may order that the counterfeit device be destroyed or be returned to the telecommunications service provider who owns or controls the counterfeit device (if there is one).

The bill would make several changes to these provisions. First, the bill would change references to “counterfeit telecommunications device” to “unlawful telecommunications access device”, and would generally change references to “telecommunications device” to “telecommunications access device”. Second, the bill would add to the list of illicit purposes the following: receiving, disrupting, decrypting, transmitting, retransmitting, acquiring, intercepting, or facilitating the receipt, disruption, decryption, transmission, retransmission, acquisition, or interception of any telecommunications service without the express authority or actual consent of the telecommunications service provider.

Third, under the bill, a person could not deliver, offer to deliver, or advertise plans, written instructions, or materials for the manufacture, *assembly*, or *development* of either an unlawful telecommunications access device or a telecommunications access device that the person intended to be used or knew or had reason to know would be used or was likely to be used to violate the basic prohibitions. The bill would add language specifying that “materials”, as used in this prohibition, included “any hardware, cables, tools, data, computer software, or other information or equipment used or intended for use in the manufacture, assembly, or development of an unlawful telecommunications access device or a telecommunications access device”.

Fourth, the definition of “deliver” would be amended to mean “to actually or constructively sell, give, loan, *lease*, or otherwise transfer a telecommunications

access device, unlawful telecommunications access device, and plans, written instructions, or materials concerning the devices to another person” (emphasis added). Fifth, the bill would specify that a person could not modify, alter, program, or reprogram a telecommunications access device for the three illicit purposes described above.

Under the bill, a person who violated any of the prohibitions above—including the violations for using a device to avoid lawful charges—would be guilty of a felony punishable by not more than four years of imprisonment or a fine of not more than \$2,000, or both. The bill would specify further that all fines were to be imposed for each unlawful telecommunications access device or telecommunications access device “involved in” the offense, and that each unlawful telecommunications access device or telecommunications access device was to be considered a separate violation.

Under the bill, any unlawful telecommunications access device “involved in” a violation of any of the prohibitions above would be subject to forfeiture, and the court could order either of the following:

- the unlawful telecommunications access device be destroyed or retained; or
- the unlawful telecommunications access device be disposed of or returned to the telecommunications service provider if the device is owned or controlled by the provider.

The bill would direct the court to order a person convicted of violating the section to make restitution, as provided in the Code of Criminal Procedure (Public Act 175 of 1927). A violation would be considered to have occurred at the place where the person manufactured, assembled, developed, or designed an unlawful telecommunications access device or telecommunications access device, or the places where the device is sold or delivered to another person.

Publishing devices. Under current law, a person who knowingly or intentionally publishes a “telecommunications access device” or counterfeit telecommunications access device with the intent that it be used--or knowing or having reason to know that it will be used or is likely to be used--to violate the prohibition against using a device to avoid a lawful charge (as described above) is guilty of a misdemeanor punishable by imprisonment for up to 93 days or a fine of not more than \$100, or both. However, if the person has a previous conviction for a violation of any of the prohibitions described above

or prohibitions set forth in former section 219c (see *BACKGROUND INFORMATION*), the person is guilty of a felony punishable by imprisonment for not more than five years or a fine of not more than \$5,000, or both.

The bill would raise the maximum fine for publishing a “telecommunications access device” or an *unlawful telecommunications access device* from \$100 to \$500. (This provision of the code currently contains a definition of “telecommunications access device” but that definition would be replaced by the new definition, which would be uniform throughout the penal code. See “Definitions” above.) Also, the bill would specify that for purposes of imposing fines for a repeat offender, the fines were to be imposed for each telecommunications access device and unlawful telecommunications access device “involved in” the violation.

Intent to permit or obtain unauthorized telecommunications service. Under current law, evidence of one or more of seven facts described in the penal code gives rise to a rebuttable presumption that the conduct that violated the prohibitions described above (under “Telecommunications service and devices”) was engaged in knowingly by the defendant with the intent to permit or obtain the unauthorized receipt of a telecommunications service. The bill would instead state that evidence of one or more of those facts would give rise to a rebuttable presumption that the prohibited conduct was engaged in knowingly with the intent to permit or obtain the unauthorized receipt, acquisition, interception, disruption, decryption, transmission, or retransmission of a telecommunications service.

One of the “facts” (or conditions) that gives rise to such a presumption under current law is that the defendant installed an *unauthorized connection* or provided written instructions on such connection to another. (In other words, evidence that a defendant had installed an unauthorized connection currently gives rise to the rebuttable presumption that the defendant knowingly engaged in prohibited conduct and intended to permit or obtain telecommunications service without authorization.) The penal code specifically excludes from the definition of “unauthorized connection” both of the following:

- an internal connection made by a person within his or her residence for the purpose of receiving an authorized cable or satellite television service;
- the physical connection of a cable or other device by a person located within his or her residence which

was initially placed there by the cable or satellite television service provider.

The bill would change the reference to “cable or satellite television service” to (any) “telecommunications service” and the reference to “cable or satellite television service provider” to (any) “telecommunications service provider”. In describing the other “facts” that give rise to such a presumption, the bill would change references to “counterfeit telecommunications devices” to “unlawful telecommunications access devices” references to “unauthorized receipt of a telecommunications service” to “unauthorized receipt, acquisition, interception, disruption, decryption, transmission, or retransmission of a telecommunications service”.

Repeal. The bill would eliminate a section of the code that defines as a misdemeanor the malicious use of any service provided by a telecommunications service provider with intent to terrorize, frighten, intimidate, threaten, harass, molest, or annoy another person, or to disturb the peace and quiet of another person by specific means.

MCL 750.16 et. al.

BACKGROUND INFORMATION:

Related legislation. House Bill 6447 would amend the Revised Judicature Act to allow a telecommunications service provider to seek certain civil remedies in the case of a violation of the provisions of the penal code described above or other related violations. For a description of the proposed changes to the RJA, see the House Legislative Analysis Section’s second analysis of House Bill 6447, dated 1-23-03.

Former Section 219c. As described above, a person who violates prohibitions set forth in former section 219c of the penal code is guilty of a felony punishable by imprisonment for not more than five years or a fine of not more than \$5,000, or both. Former section 219c defined as a misdemeanor the use of telecommunication equipment with intent to avoid payment. Before it was repealed in 1997, the section read as follows:

“Any person who knowingly obtains or attempts to obtain, by the use of any fraudulent scheme, device, means or method, telegraph or telephone service or the transmission of a message, signal or other communication by telephone or telegraph, or over telephone, telegraph or other communication

facilities with intent to avoid payment of charges therefore is guilty of a misdemeanor.”

FISCAL IMPLICATIONS:

Fiscal information is not available.

ARGUMENTS:

For:

The bill would increase the maximum fine allowed to be imposed by a court for a variety of offenses. Many of these statutes were enacted decades ago and have not been revised since. If adjusted to compensate for inflation, many of these fine amounts would appear ridiculously low. To continue to be an effective punishment and deterrent, the fine amounts need to be increased. Further, since penal fine revenue is mandated by the state constitution to fund libraries, the state and county libraries could benefit greatly from the additional funding.

Regarding changes to the provision prohibiting wearing masks in public, the ban was woefully out of date. There is a big difference between a person wearing a mask or face covering to emphasize a point being made in a peaceful protest and a person concealing his or her identity in the commission of a crime. The new language makes the proper distinction and, by making the offense a 93-day misdemeanor, will trigger certain fingerprinting and retention requirements.

For:

The bill would update and expand criminal prohibitions and penalties to include the manufacture and use of computers and other digital technologies to circumvent legitimate means of obtaining telecommunications services. Because such devices help pirates obtain the content they want to sell to others and make it easier for individuals to obtain content from pirates, the bill (together with House Bill 6447) will play a significant role in combating digital piracy. States have played an important role in combating traditional forms of cable theft and video piracy, and it is important that they have the tools they will need to keep up the fight in the digital age. Also, the bill would help create a secure environment for industry officials contemplating new means of making their products available to others. For instance, those who tout broadband Internet service have long sung the praises of video-on-demand, where an individual can choose to watch a particular movie when she wants without having to leave her home. Before telecommunications

companies make content available on a widespread basis, they want to be sure that their product is protected and that anyone who tries to obtain it without paying or receiving authorization will be punished.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.