

HB 0079 2003 **CS**

CHAMBER ACTION

The Committee on Business Regulation recommends the following:

Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to communications services; amending s. 812.15, F.S.; revising definition of "cable operator" and "cable system" and defining "communications device," "communications service provider," and "manufacture, development, or assembly of a communications device"; prohibiting certain interception, reception, decryption, disruption, transmission, retransmission, or acquisition of access to described communications services and prohibiting assisting others in doing so; prohibiting described communications devices for certain purposes and promotion of such devices; providing criminal and civil penalties; providing for actual and statutory damages; exempting described entities under certain circumstances; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:



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Section 1. Section 812.15, Florida Statutes, is amended to read:

- 812.15 Unauthorized reception of <u>communications</u> cable television services; penalties.--
 - (1) As used in this section, the term:
- (a) "Cable operator" means <u>a communications service</u>

 <u>provider who provides some or all of its communications services</u>

 <u>pursuant to a "cable television franchise" issued by a</u>

 <u>"franchising authority" as those terms are defined in 47 U.S.C.</u>

 <u>s. 522(9) and (10) (1992)</u> <u>"cable operator" as defined in 47</u>

 <u>U.S.C. s. 522(4) (1988)</u>.
- (b) "Cable system" means <u>any communications service</u> network, system, or facility owned or operated by a cable <u>operator</u> "cable system" as defined in 47 U.S.C. s. 522(6) (1988).
- (c) "Communications device" means any type of electronic mechanism, transmission line or connections and appurtenances thereto, instrument, device, machine, equipment, or software which is capable of intercepting, transmitting, acquiring, decrypting, or receiving any communications service, or any part, accessory, or component thereof, including any computer circuit, splitter, connector, switches, transmission hardware, security module, smart card, software, computer chip, electronic mechanism, or other component, accessory, or part of any communications device which is capable of facilitating the interception, transmission, retransmission, acquisition, decryption, or reception of any communications service.



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(d) "Communications service" means any service lawfully provided for a charge or compensation by any cable system or by any radio, telephone, fiber optic, photo-optical, electromagnetic, photoelectronic, satellite, microwave, data transmission, Internet-based or wireless distribution network, system, or facility, including, but not limited to, any and all electronic, data, video, audio, Internet access, microwave, and radio communications, transmissions, signals, and services, and any such communications, transmissions, signals, and services lawfully provided directly or indirectly by or through any of those networks, systems, or facilities.

- (e) "Communications service provider" means:
- 1. Any person or entity owning or operating any cable system or any fiber optic, photo-optical, electromagnetic, photoelectronic, satellite, wireless, microwave, radio, data transmission, or Internet-based distribution network, system, or facility.
- 2. Any person or entity providing any communications service, whether directly or indirectly, as a reseller or licensee, by or through any such distribution network, system, or facility.
- (f) "Manufacture, development, or assembly of a communications device" means to make, produce, develop, or assemble a communications device or any part, accessory, or component thereof, or to modify, alter, program, or reprogram any communications device so that it is capable of facilitating the commission of a violation of this section.



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(2)(a) No person shall knowingly intercept, or receive, decrypt, disrupt, transmit, retransmit, or acquire access to or assist in intercepting or receiving any communications service offered by over a cable operator or any other communications service provider, or knowingly assist others in doing so system, unless specifically authorized to do so by a cable operator or other communications service provider, or as may otherwise be specifically authorized by law. For the purpose of this section, the term to "assist others" in committing any of these acts shall include:

- 1. The sale, transfer, license, distribution, deployment, lease, manufacture, development, or assembly of a communications device for the purpose of facilitating the unauthorized receipt, acquisition, interception, disruption, decryption, transmission, retransmission, or access to any communications service offered by a cable operator or any other communications service provider; or
- 2. The sale, transfer, distribution, deployment, lease, manufacture, development, or assembly of a communications device for the purpose of defeating or circumventing any technology, device, or software, or any component or part thereof, used by a cable operator or other communications service provider to protect any communications service from unauthorized receipt, acquisition, interception, disruption, access, decryption, transmission, or retransmission "assist in intercepting or receiving" shall include the manufacture of or distribution of equipment intended by the manufacturer or distributor, as the case may be, for unauthorized reception of any communications

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service offered over a cable system in violation of this section.

- (b) Any person who willfully violates this subsection shall be guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.
- (3)(a) Any person who willfully violates paragraph(2)(a), paragraph (4)(a), or subsection (5) and who has been previously convicted of any such provision shall be guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- (b) Any person who willfully and for purposes of direct or indirect commercial advantage or private financial gain violates paragraph (2)(a), paragraph(4)(a), or subsection (5) shall be guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- (4)(a) Any person who intentionally possesses <u>a</u> communications device equipment, knowing or having reason to know that the design of such device equipment renders it primarily useful for the purpose of committing or assisting others in committing a violation of paragraph (2)(a) the unauthorized reception of any communications service offered over a cable system, shall be guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.
- (b) Any person who intentionally possesses five or more <u>communications</u> devices or pieces of equipment and knows or has reason to know that the design of such devices or pieces of equipment renders them primarily useful for committing or

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assisting others in committing a violation of paragraph(2)(a) the unauthorized reception of any communications services offered over a cable system is guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

- communications devices or pieces of equipment and knows or has reason to know that the design of such devices or equipment renders them primarily useful for committing or assisting others in committing a violation of paragraph(2)(a) the unauthorized reception of any communications services offered over a cable system is guilty of a felony in the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- newspaper, magazine, handbill, or other publication, including any electronic medium, any advertisement that, in whole or in part, promotes the sale of <u>a communications device</u> equipment, if the person placing the advertisement knows or has reason to know that the <u>device</u> equipment is designed to be primarily useful for <u>committing</u> or assisting others in committing a violation of <u>paragraph(2)(a)</u> the unauthorized reception of any communications service offered over a cable system. Any person who violates this subsection shall be guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.
- (6) For purposes of all criminal penalties established for violations of this section, each communications device involved in the prohibited activity shall constitute a separate violation of this section. All fines shall be imposed as authorized by law

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for each such communications device and for each day in violation of this section.

- (7) The court shall, in addition to any other sentence authorized by law, sentence a person convicted of violating this section to make restitution as authorized by law.
- (8) Upon conviction of a defendant for violating this section, the court may, in addition to any other sentence authorized by law, direct that the defendant forfeit any communications devices in the defendant's possession or control which were involved in the violation for which the defendant was convicted.
- (9) A violation of paragraph (2)(a) may be deemed to have been committed at either place where the defendant manufactures, develops, or assembles any communications devices involved in the violation, or assists others in doing so, or the places where those communications devices are sold or delivered to a purchaser or recipient. It shall be no defense to a violation of paragraph (2)(a) that some of the acts constituting the violation occurred outside the state.
- (10)(a) Any person aggrieved by any violation of this section may bring a civil action in a circuit court or in any other court of competent jurisdiction.
 - (b) The court may:
- 1. Grant temporary and final injunctions on such terms as it may deem reasonable to prevent or restrain violations of this section in conformity with the principles that govern the granting of injunctive relief from threatened loss or damage in

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other civil cases, except that no showing of special or irreparable damages to the person shall have to be made. \div

- 2. At any time while the action is pending, order the impounding, on such terms as it seems reasonable, of any communications device that is in the custody or control of the violator and that the court has reasonable cause to believe was involved in the alleged violation of this section and grant other equitable relief, including the imposition of a constructive trust, as the court considers reasonable and necessary.
- $\underline{3.2.}$ Award damages pursuant to paragraphs (c), (d), and (e).; and
- $\underline{4.3.}$ Direct the recovery of full costs, including awarding reasonable attorney's fees, to an aggrieved party who prevails.
- 5. As part of a final judgment or decree finding a violation of this section, order the remedial modification or destruction of any communications devices, or any other devices or equipment, involved in the violation that are in the custody or control of the violator, or have been impounded under subparagraph 2.
- (c) Damages awarded by any court under this section shall be computed in accordance with either <u>subparagraph 1. or</u> subparagraph 2. of the following:
- 1. The party aggrieved may recover the actual damages suffered by him or her as a result of the violation and any profits of the violator that are attributable to the violation which are not taken into account in computing the actual damages.÷



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a. Actual damages include the retail value of all communications services to which the violator had unauthorized access as a result of the violation and the retail value of any communications services illegally available to those persons to whom the violator directly or indirectly provided or distributed any communications device. In proving actual damages, the party aggrieved shall be required to prove only that the violator manufactured, distributed, or sold any communications devices, but shall not be required to prove that those devices were actually used in violation of this section.

- <u>b.</u> In determining the violator's profits, the party aggrieved shall be required to prove only the violator's gross revenue, and the violator is required to prove his or her deductible expenses and the elements of profit attributable to factors other than the violation. \div or
- 2. Upon election of such damages at any time before final judgment is entered, the party aggrieved may recover an award of statutory damages for each communications device violation involved in the action, in a sum of not less than \$1,500 \$250 or more than \$10,000 for each such device and for each day the defendant is in violation of this section, as the court considers just.
- (d) In any case in which the court finds that the violation was committed willfully and for purposes of commercial advantage or private financial gain, the court in its discretion may increase the award of damages, whether actual or statutory under this section, by an amount of not more than \$50,000 for



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each communications device involved in the action and for each day the defendant is in violation of this section violation.

- (e) In any case in which the court finds that the violator was not aware and had no reason to believe that his or her acts constituted a violation of this section, the court in its discretion may reduce the award of damages to a sum of not less than \$100.
- (11) This section shall not apply to any state or local law enforcement agency, any state or local government agency, municipality, or authority, or any provider of communications services, lawfully acting as such in accordance with any other state or federal law.
 - Section 2. This act shall take effect October 1, 2003.

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