Approved	February	10,	1988	
	-	Date		

MINUTES OF THE SENATE CO	MMITTEE ONJUDICIA	RY	
The meeting was called to order by	Senator Robert Fre	ey nairperson	at
10:00 a.m./KAK on Februa	ry 8	_, 1988 in room 514-S	of the Capitol.
Ark members were present excepts: S	enators Frey. Hoferer	. Burke. Feleciano.	Gaines.

Langworthy, Parrish, Talkington, Winter and Yost.

Committee staff present:

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

Conferees appearing before the committee:

Richard D. Kready, KPL Gas Service
Bill Mason, El Dorado Kansas Gas and Electric Company
Ralph Skoog, Kansas Cable Television Association
Mark Wilson, Wichita Multimedia Cablevision
Dave Clark, Lawrence Sunflower Cablevision
Jim Clark, Kansas County and District Attorneys Association

The chairman presented a bill request that was submitted to him by the Kansas Judicial Council for technical changes in K.S.A. 60-250(b) to 60-250(b). Senator Talkington moved to introduce the bill. Senator Gaines seconded the motion. The motion carried.

Senate Bill 534 - Theft of electrical services.

The chairman pointed out in the report from the fiscal note, the bill would have impact upon the prisons. A copy of the fiscal note is attached (See Attachment I).

Richard D. Kready, KPL Gas Service, testified theft of any utility service really is a crime against the people because the losses are recovered through the utility's rate schedules by spreading the costs over the paying customers. A copy of his handout is attached (See Attachment II). A committee member inquired how many people have been suspected of tampering. Mr. Kready replied he did not have that information with him, but would submit it at a later date.

Bill Mason, El Dorado Kansas Gas and Electric Company, testified although he is speaking from their situation at KG&E, all utilities and utility rate payers in the state will benefit from a stronger criminal penalty. A copy of his statement is attached (See Attachment III). A committee member inquired if they had attempted to prosecute under the existing statute? Mr. Mason replied the prosecutor is hesitant to prosecute under the statute. In the civil court they have been able to recover some dollars. He said there is no penalty for the industrial people. Deterrence is the biggest problem.

Senate Bill 263 - Theft of cable television services.

Ralph Skoog, Kansas Cable Television Association, testified what is being proposed is implementation language that would justify the electrical companies asking to repeal the existing Chapter 17 that has to do with tampering, and clarify the utilities and other professional services could all operate under the

CONTINUATION SHEET

MINUTES OF THE _	SENATE	COMMITTEE ON _	JUDICIARY	
room <u>514S</u> , Stateho	ouse, at <u>10:0</u>	0a.m./pxxx. on	February 8	, 1988

Senate Bill 263 - continued

the same statute. This will not increase the penalty from what it is presently but will meld these three statutes into the existing one, and this is the best of all ways to meet this problem.

Mark Wilson, Wichita Multimedia Cablevision, testified every year we lose three million dollars due to theft. This is recovered by price increases. They feel they do have a good product, and they are asking the people who enjoy their service to pay for it. They are working with prosecutors and law enforcement. He said prosecution under federal law is difficult. There are few local ordinances that deal with this problem. They feel a more adequate state law is appropriate and will serve as a deterrent. Mr. Wilson stated this is not an impulsive or passive crime. Once the system is connected a converter box is needed which creates a black market for this system. In response to a question, Mr. Wilson said their company is interested in prosecuting people who are hooked up to the cable and are not paying for it. For the hook up of extra sets in the house, they are not as interested in it because it is hard to prosecute.

Dave Clark, Lawrence Sunflower Cablevision, stated they started out in Lawrence using the municipal ordinance which worked for a while. Then the prosecutor who came in later made these cases a lower priority. There is a serious problem in Lawrence with people getting cable converter boxes to descramble their service. These cases were prosecuted under the federal statute. They have prosecuted more than 100 cases, and some under the municipal statute. They are finding they are using the federal statute now. He stated they are in the process of auditing their cable plant. Ten percent of their viewers are unauthorized viewers. Another hook up set violation has not been prosecuted, if they are paying customers. They have to cover their system four times a year and measure leakage. The majority of leakage that is over and above federal regulations are connections that are left from legal or illegal splitters. He said theytare liable for a percentage of leakage.

Ralph Skoog handed out an opinion from a Washington D.C. law firm (See Attachment IV). He asked the committee to forget Senate Bills 262 and 263 and adopt Substitute for Senate Bill 534. He suggested including cable television in the bill. cable television in the bill.

The hearings on Senate Bill 263 and Senate Bill 534 were concluded.

During committee discussion of <u>Senate Bill 534</u> a committee member inquired of Jim Clark, Kansas County and District Attorneys Association, what is necessary to make this theft enough for prosecutors to prioritize for prosecution? Mr. Clark replied that is a good question, and I don't have an answer. It is a question of priorities. Some counties it is emphasized and some counties it isn't. Following further committee discussion, <u>Senator Gaines moved to amend by offering a substitute bill</u>

CONTINUATION SHEET

MINUTES OF THE SENATE	COMMITTEE ON _	JUDICIARY	
room514-Statehouse, at10	:00 a.m.≰pxxx. on	February 8	, 19_88

for Senate Bill 534 as proposed with two additional amendments. Senator Burke seconded the motion. The motion carried. Senator Gaines moved to report Substitute for Senate Bill 534 favorably for passage and include repeal of two statutes. Senator Parrish seconded the motion. The motion carried. Senator Gaines moved to report Senate Bills 262 and 263 adversely. Senator Parrish seconded the motion. The motion carried.

The chairman announced the committee will work $\underline{\text{House bill 2287}}$ $\underline{\text{tomorrow.}}$

The meeting adjourned.

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

GUEST LIST

COMMITTEE: SENATE JUDICIARY COMMITTEE DATE: 2-8-88 ADDRESS' COMPANY/ORGANIZATION NAME (PLEASE PRINT) tephons Dela oodman eria Coste (Dave Clark Sunflower CableTV Multindia Inc. Wichites XPL Gas Source Tom tank PEOPLES NATIGAS TREVA POTTER TOPEKA DAN MCGEE GREAT BEND CENTEL ELECTRIC Shelley Section Topelca KES Wike Recht ATIT DRUC (ONSERC) EL Dorado Topeka Ouie Stroup STOCKWELL Kansas Corp. Comm. 3/umsies Emple Profest Flee Jusies of Busses Ten hallow KO CATV dosas

Topeka

TOPEKA

tantoner:

attely. V

SWBOLL TEL

Palmer, 65

GUEST LIST

COMMITTEE: SEN	SENATE JUDICIARY COMMITTEE		DATE: 2-8-88
NAME (PLEASE PRIN	T)	ADDRESS	COMPANY/ORGANIZATIO
		1108 BANK IN	
Kent Vivee. Harrist Lange Relieva Ben	+/-	Topka Taurense	Len Parish mit
Mula suu	Men .	· ian ame.	· · · · · · · · · · · · · · · · · · ·
			•
			· · · · · · · · · · · · · · · · · · ·
-			
			-
	<u>-</u>		
	·.	•	
		·	·

Fisc Note Bill No.
1988 Session
February 4, 1988

2-8-88

The Honorable Robert G. Frey, Chairperson Committee on Judiciary Senate Chamber Third Floor, Statehouse

Dear Senator Frey:

SUBJECT: Fiscal Note for Senate Bill No. 534 by Committee on Judiciary

In accordance with K.S.A. 75-3715a, the following fiscal note is respectfully submitted to your committee.

Senate Bill No. 534 clarifies what constitutes theft of electrical services. Theft of electrical services of \$150 or more is a class E felony while a theft of less than \$150 is a class A misdemeanor.

This bill will be in effect from and after publication in the statute book.

Presently, a conviction for stealing electrical services is an unclassified misdemeanor punishable by a fine not to exceed \$100. Upgrading the punishment for stealing \$150 or more of electrical services to a class E felony could lead to individuals being sentenced to prison. The Department of Corrections has no data that could be used in determining the number of individuals who may be incarcerated under Senate Bill No. 534. However, any individuals added to the prison population will be in addition to those presently incarcerated and will increase costs at the affected institutions.

The Kansas Parole Board also reports that Senate Bill No. 534 could result in an indeterminable number of additional individuals being incarcerated in the state penal system. Any individuals added to the present population will increase the Board's workload. However, the Board has no data to estimate the number of individuals that may be incarcerated and subsequently, if the Board's workload will increase significantly.

Neither the Department of Corrections nor the Kansas Parole Board are able to determine the number of individuals who may be incarcerated under Senate Bill No. 534. However, both agencies believe passage will likely increase the prison population and their workload.

Any expenditures resulting from the passage of Senate Bill No. 534 would be financed from the State General Fund and would be in addition to the amounts contained in the <u>FY 1989 Governor's Report on the Budget</u>.

Michael F. O'Keefe
Director of the Budget

MFO:KLS:sr

1610

attch I

Testimony Before

SENATE JUDICIARY COMMITTEE

Senate Bill 534 Theft of Electrical Services

By Richard D. Kready
KPL GAS SERVICE
Director of Governmental Affairs

February 8, 1988

At KPL Gas Service, we are in full support of SB 534 as introduced, but also want to point-out that this committee has an opportunity to consolidate statutes covering the same issue.

As introduced, SB 534 proposes to classify the penalty in KSA 17-1921, dealing with tampering and theft of electricity. For the last 50 years, this has been a valuable section of the statutes to deter people from stealing electricity. Theft of any utility service really is a "crime against the people" because the losses are recovered through the utility's rate schedules -- spreading the costs over the paying customers.

Perhaps the most valuable part of KSA 17-1921 has been the prima facie evidence clause:

"The existence of any of the aforesaid connections of meters, alterations or use of unmeasured electricity, or electric current, shall be prima facie evidence of intent to violate, and of the violation of this act by the person, or persons, using or receiving the direct benefits from the use of the electricity, or electric current passing through such connection or meters, or being used unmeasured as aforesaid."

This clause allows for prosecution of these thieves when we find evidence of the tampering and/or theft, even though we haven't actually witnessed them making the illegal contact with our facilities. It is imperative that we continue to have this prima facie evidence clause since it is not practical for us to post a 24-hour guard to watch for illegal activity by each of our 1.3 million meters and along each of our lines.

While this law has been very beneficial over the years, some prosecutors have recently expressed reluctance to pursue the penalty under KSA 17-1921 because they don't consider a maximum fine of \$100 to be adequate justification for the amount of time it takes them to handle the case. Other prosecutors have pointed-out the peculiarity of this law being in the corporate section (chapter 17) of the Kansas statutes. They would feel more comfortable if this "crime" was in the criminal statutes (chapter 21).

To address both of those problems, attached is a draft for a possible substitute bill that would imitate the valuable language from KSA 17-1921 in amendments to KSA 21-3704. This new statute already deals with theft of services and already prescribes class A misdemeanor and class D felony penalties. Although it already includes "mechanical tampering" as an illegal method for obtaining service, that term has not previously been defined. This statute has also been less valuable because it hasn't included the prima facie evidence clause. Our attached draft proposes amendments to KSA 21-3704 to include a "tampering" definition and prima facie evidence clause similar to KSA 17-1921 (which can then be repealed).

We would also like to point-out that if you choose to include cable television service in this statute, you might also be able to repeal KSA 21-3752 (theft of cable television services).

I'll be happy to explain my draft and respond to your questions.

DRAFT

SUBSTITUTE FOR SENATE BILL NO. 534

By Committee on Judiciary

AN ACT concerning theft of services, amending K.S.A. 21-3704 and repealing the existing section; and repealing K.S.A. 17-1921 and 21-3752.

By it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 21-3704 is hereby amended to read as follows: 21-3704.

- (1) Theft of services is obtaining services from another by deception, threat, coercion, stealth, mechanical tampering or use of false token or device.
- (2) "Services" within the meaning of this section, includes, but is not limited to, labor, professional service, public utility or transportation service, entertainment and supplying of equipment for use.

(3) "Tampering" within the meaning of this section, includes, but is not limited to:

- (a) making a connection of any wire, conduit or device, to any service or transmission line owned by a public or municipal utility, or by a cable television service provider;
- (b) defacing, puncturing, removing, reversing or altering any meter or any connections, for the purpose of securing unauthorized and/or unmeasured electricity, natural gas, telephone service or cable television service;
 - (c) preventing any such meters from properly measuring or registering;
- (d) knowingly taking, receiving, using or converting to such person's own use, or the use of another, any electricity, natural gas, telephone service or cable television service which has not been authorized and/or measured; or
- (e) causing, procuring, permitting, aiding, or abetting any person to do any of the preceding acts.
- (4) In any prosecution under this section, the existence of any of the connections of meters, alterations or use of unauthorized and/or unmeasured electricity, natural gas, telephone service or cable television service, specified in subsection (3), shall be prima facie evidence of intent to violate the provisions of this section by the person or persons using or receiving the direct benefits from the use of the electricity, natural gas, telephone service or cable television service passing through such connections or meters, or using the electricity, natural gas, telephone service or cable television service which has not been authorized and/or measured.
- (5) Theft of services of the value of \$150 or more is a class E felony. Theft of services of the value of less than \$150 is a class A misdemeanor.

Section 2. K.S.A. 17-1921 and K.S.A. 21-3752 are hereby repealed.

Section 3. This act shall take effect and be in force from and after its publication in the statute book.

TESTIMONY

COMMITTEE ON JUDICIARY

FEBRUARY 8, 1988

MY NAME IS BILL MASON, CENTRAL REGION MANAGER FOR KANSAS GAS AND ELECTRIC COMPANY IN EL DORADO. FOR THE PAST FEW MONTHS I HAVE SERVED AS THE CHAIRMAN FOR A FRAUD AND THEFT TASK FORCE. OUR GROUP WAS CHARGED WITH INVESTIGATING AND EVALUATING THE EFFECTS OF FRAUD AND THEFT PROBLEMS WITHIN OUR COMPANY.

IN A REPORT IN <u>ELECTRICAL</u> <u>WORLD</u> IN MAY, 1982, THE EDISON ELECTRIC INSTITUTE SECURITY COMMITTEE REPORTED THAT .5 PER CENT OF ALL UTILITY CUSTOMERS ARE SUSPECTED OF STEALING AND THAT TOTAL LOSSES TO INDIVIDUAL UTILITIES COULD BE AS HIGH AS 2.5 PER CENT OF REVENUES. THAT WOULD RELATE TO AS MUCH AS 12.5 MILLION DOLLARS PER YEAR FOR KG&E. ACCORDING TO THEIR RESEARCH, THE MINIMUM AMOUNT OF .5 PER CENT OF REVENUES WOULD BE NEAR 2.5 MILLION DOLLARS. THESE ARE CERTAINLY SIGNIFICANT FIGURES - BUT IS THIS A TRUE ASSESSMENT FOR KANSAS? OUR EXPERIENCE WAS SUPPLEMENTED BY FIELD AUDITS WHICH HAVE VERIFIED THAT THE PROBLEM IS SIGNIFICANT.

WE ARE IN THE PROCESS OF STARTING A THEFT AND FRAUD DEPARTMENT AND WILL AGGRESSIVELY SEARCH FOR INSTANCES OF THEFT. THEFT IS TO TAMPER WITH METERING AND/OR WIRING WITH INTENT TO STEAL. FRAUD IS RECEIVING A SERVICE BY USING INACCURATE NAMES AND/OR OTHER INFORMATION WITH INTENT TO STEAL OR THEFT BY DECEPTION.

OUR FIRST EMPHASIS WILL BE ON THE PROTECTION AND RECOVERY OF REVENUE; SECOND, THE DETERRENT TO THEFT, AND THIRDLY, THE PROSECUTION OF OFFENDERS. CRIMINAL ACTION IS NOT COST EFFECTIVE BUT IT IS AN EFFECTIVE DETERRENT. THE BENEFITS OF PROSECUTION INCLUDE STOPPING THE INCENTIVE TO STEAL, DISCOURAGING THE SECOND OFFENDER AND THE PROTECTION OF OTHER HONEST RATE PAYERS.

ONE OF THE MAIN PROBLEMS ENCOUNTERED IS STATUTE KSA 12-1921 THAT CARRIES A PENALTY OF NOT MORE THAN \$100 FOR THEFT OF ELECTRIC SERVICE, REGARDLESS OF THE AMOUNT - \$100 OR \$10,000.

BECAUSE OF THE SIGNIFICANT INCREASE IN UTILITY THEFT NATIONWIDE, MOST UTILITIES HAVE FIRMED UP THE PHILOSOPHY OF PROTECTING THEIR REVENUE BY AGGRESSIVELY PROSECUTING THEFT CASES. KANSAS COMPANIES ARE NO DIFFERENT BUT THEY ARE HANDICAPPED BY A STATUTE WITH GROSSLY INADEQUATE PENALTIES. THIS MAKES PROSECUTION ALMOST IMPOSSIBLE.

OUR PROJECTIONS INDICATE RECOVERIES OF \$700,000 IN THE FIRST YEAR - \$400,000 WOULD COME FROM THEFT CASES AND \$250,000 FROM FRAUD RECOVERIES.

THESE RECOVERIES ARE IMPORTANT TO OUR COMPANY BUT THEY ARE ALSO IMPORTANT TO OUR HONEST RATE PAYERS WHO EVENTUALLY MUST FACE HIGHER COSTS IF THEFT IS NOT CONTROLLED.

THE RECOVERY AMOUNTS ARE SIGNIFICANT BUT THEY WILL PROBABLY NOT BE A REALITY WITHOUT ADEQUATE CRIMINAL PENALTIÉS. THE AFOREMENTIONED \$700,000 DOES NOT INCLUDE ANY MONIES FOR DETERRENCE. THIS VERY EASILY COULD BE SEVERAL TIMES THE VALUE OF THE RECOVERIES.

WHILE I HAVE ONLY SPOKEN TO OUR SITUATION AT KG&E, ALL UTILITIES AND UTILITY RATE PAYERS IN THE STATE WILL BENEFIT FROM A STRONGER CRIMINAL PENALTY.

WE URGE YOU TO SERIOUSLY CONSIDER THE PASSING OF SENATE BILL 543.

THANK YOU.

2-8-88

WILLIAM O. BITTMAN DEAN BURCH DEAN BURGH
ELIZABETH B. CARDEN
GEORGE R. GLARK
STEPHEN B. CLARKBON
JOHN J. DUFFY
JOHN R. ERICKSON
NORMAN L. EULE
WILLIAM H. FITZ THOMAS C. FOX JAMES J. FREEMAN WILLIAM A. GEOGHEGAN JACK N. GOODMAN WILLIAM B. GREEN BENJAMIN J. GRIFFIN JOEL M. HAMME JUDITH L. HARRIS GORDON W. HATHEWAY, JR. BRIAN A. JOHNSON STEPHAN E. LAWTON DAVID MACHANIC MICHAEL MINNIS PETER D. O'CONNELL W. THEODORE PIERSON W. THEODORE PIERSON, JR. CARYL A. POTTER, III T. TIMOTHY RYAN, JA. JACQUELINE MARIE SAUE MITCHELL H. SEGAL RICHARD M. SINGER FREDERIC T. SPINDEL CHARLES J. STEELE EUGENE TILLMAN WILLIAM F. WETMORE, JA. ROBERT T. WRAY

ROBERT J. AAMOTH ROSALIND KURZ ALLEN KEVIN R. BARRY AMY B. BERGNER DIANE E. BURKLEY JOHN J. BYRNE, JR. ROBERT D. CLARK CAROL COLBORN CAROL COLBORN
THOMAS M. CURTIE*
MICHAEL A. CURTO
ROBERT A. FEITEL
ELIZABETH A. FEARELL
THOMAS F. FITZGERALD
JOHN J. FRERRY, JR. KENNETH A. GRIGG, JR. KATHY A. GRANT BHEREE R. KANNER WILLIAM E. LAWLER, III PAUL F. LEONARO, JR.* RICHARO D. LERNER JOAN L. LOIZEAUX MARIE MAIMONE DAVID MCCULLOUGH* RICHARD E. PATRICK DANIEL L. PORTER LESLIE A. W. PURDY* JOHN A. RITCHIE DEBORAH M. ROYSTER JUDITH ST. LEDGEN-ROTY MARNIE K. SARVER STELLA A SEREVETAS! LESLIE M. SHAW! JAMES M. SMITH BARBARA L. WAITE BEVERLY J. WHITE GERTRUDE J. WHITE

PIERSON, BALL & DOW

ATTORNEYS AT LAW

1200 IBIM STREET, N. W.

WASHINGTON, D. C. 20036

(202) 331-8566

CABLE ADDRESS"PIERBALL"

TELECOPIER (202) 331-1448/1449

TELEX NO. 64711

February 3, 1987

ORLAHOMA OFFICE
FIRST ORLAHOMA TOWER, SUITE 1310
210 W. PARR AVENUE
OKLAHOMA CITY, OKLA, 73102
[405] 235-7686

COUNSEL HAROLD DAVID COHEN

OF COUNSEL WILLIAM B. BAXDE DONALD P. ARNAVAS®

* Not a Member of the D.C. Bar

Mr. Jeremy Stern
Office of Cable Signal Theft
National Cable Television Association
1724 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Dear Mr. Stern:

The National Cable Television Association ["NCTA"] has retained this firm to render an opinion regarding the federal constitutionality of certain provisions of the proposed Uniform State Law Prohibiting Theft of Cable Service and Satellite Cable Programming ["Uniform Law"]. Specifically, we have been asked to address the constitutionality of presumptions in Titles I and II of the Uniform Law that allow criminal violations and/or criminal intent to be inferred by a trier of fact from proof of certain predicate facts.

We have consulted with your office specifically concerning those aspects of the Uniform Law affected by the presumptions, and generally concerning other aspects of the proposed statute. In addition, we have reviewed relevant case law concerning the application of the Federal Constitution to the various matters related to presumptions. We have not reviewed state constitutional, statutory, or case law.

It is our opinion, in summary, that if the presumptions contained in the Uniform Law should be challenged on constitutional grounds, they will be found to comport with federal constitutional due process requirements.

attch. II

The presumptions contained in the Uniform Law meet the two basic requirements of constitutionally valid statutory presumptions. First, the presumptions are permissive rather than conclusive or mandatory. Second, the presumptions contain a rational connection between the ultimate, presumed fact and the predicate, proven fact or facts. Presumptions which meet these two requirements have repeatedly been sustained by the Supreme Court in the face of challenges alleging that the presumptions either impermissibly removed the prosecution's burden to prove all elements of a crime beyond a reasonable doubt, or that the presumption required rebuttal and therefore infringed the defendant's right not to testify.

The Supreme Court has, in a series of cases, laid out the constitutional principles by which presumptions in criminal statutes are to be judged. The seminal contemporary case is Tot v. United States, 319 U.S. 463 (1943), in which the Court articulated the test for the validity of such presumptions. The Court held that a legislature could not make the proof of a fact evidence of an ultimate fact on which guilt is predicated if there were "no rational connection between the fact proved and the ultimate fact presumed, if the inference of the one from proof of the other is arbitrary because of lack of connection between the two in common experience." Id. at 467-8.

The Court also has summarized this requirement as mandating that a "criminal statutory presumption must be regarded as 'irrational' or 'arbitrary', and hence unconstitutional, unless it can be said with substantial assurance that the presumed fact is more likely than not to flow from the fact on which it is made to depend." Leary v. United States, 395 U.S. at 36 (1969). The Court also noted that the judgment of legislatures, in enacting specific presumptions as to the rationality of a given presumption, is to be accorded great weight.

The Court recently has reaffirmed this analysis. In County Court of Ulster County v. Allen, 442 U.S. 140 (1979), the Court noted that the threshold issue was whether the presumption was mandatory or permissive. A mandatory presumption is one that instructs the trier of fact that it must find the presumed fact if the state proves certain predicate facts, while a permissive presumption merely allows but does not require the jury to find a presumed fact from a predicate fact. While a mandatory presumption violates due process of law requirements on its face, a permissive inference violates due process only if it fails the Leary test that the presumed facts must flow more likely than not from proof of the predicate fact.

The Uniform Law presumptions are permissive and not mandatory. In all cases, the language of the statute states clearly that the ultimate fact "may be inferred" from the predicate fact. This language does not instruct a trier of fact that it must find a certain fact, but only that it is permissible to so find. The Supreme Court has upheld much more ambiguous presumptions which provide that a predicate fact is "presumptive evidence" or "sufficient evidence" of an ultimate fact. Thus, the presumptions of the Uniform Law are in accord with this requirement for constitutional validity.

The second requirement, that the presumed facts bear a rational connection with the predicate facts, presents a more difficult issue. The Court has held that permissive inferences are constitutional if the presumed facts flow more likely than not from the predicate facts. Clearly, whether a particular presumption will meet this test in the light of judicial scrutiny is a statute-by-statute and case-by-case matter, and the Supreme Court admittedly has been less than clear in its holdings. Nonetheless, in our opinion, each presumption of the Uniform Law meets the "more likely than not" test for several reasons.

First, analogy to the presumptions that the Court has found to meet the "more likely than not" standard indicates that the presumptions of the Uniform Law are constitutionally valid. Second, the Court has indicated that judicial deference is due to a legislative determination of the rationality of the connection between presumed facts and predicate facts. The Uniform Law, as enacted by the legislature of a state, is therefore to be accorded a presumption of validity. Finally, and perhaps most important, the rational connection between the specific presumed facts and the specific predicate facts of the Uniform Law are evident.

For example, the presumption contained in Title I, Section 3(a)(1) of the Uniform Law in essence permits the trier of fact to infer the actual or attempted unauthorized reception of cable services from the possession of an unauthorized reception device which "under the circumstances serves no other legitimate purpose." This presumption merely restates the obvious deduction to be drawn from such evidence: that an unauthorized device possessed by the defendant and on the defendant's premises, whose only purpose is to receive cable services without pay, clearly leads to the conclusion that the defendant has either received cable services without payment or attempted to do so. Although this presumption on its face meets the Leary "more likely than

not" test, added support is given by the Supreme Court's approval of analogous presumptions. ___

Nonetheless, the clear teaching of this line of Supreme Court cases is that, absent facial invalidity of the statute, the crux of constitutional analysis for such presumptions is the jury instruction of a particular case, not the statutory language. If a trial judge instructs a jury that they "must" find a presumed fact, or a predicate fact "shall be" proof of a presumed fact, or fails to instruct that the inference can be rebutted, a conviction resulting from such instructions may be and probably will be overturned. Therefore, it is essential that prosecutors and judges be cognizant of the constitutional limits of statutory presumptions.

We have not undertaken to provide "form" instructions or conduct a close analysis of the requirements of each state's rules of criminal procedure. It is our view, however, that such an effort will be required for each state considering adoption of the Uniform Law, whether or not it intends to add jury

In United States v. Gainey, 380 U.S. 63, 65 (1965), the Court upheld a statutory inference which permitted the trier of fact to find that a defendant's presence at an illegal still was sufficient evidence to convict for "carrying on the business of a still." The Court held that such a presumption contained a rational connection between presence at an unregistered still and the act of "carrying on" a still. Id. at 66-7. Likewise, the presumption in Section 3(a)(1) merely states the rational connection between possession of an unauthorized reception device and the use or attempted use of that device to receive cable services without payment. See also Barnes v. United States, 412 U.S. 837 (1973) (instruction that unexplained possession of recently stolen property permits inference that possessor knew property was stolen satisfied not only Leary "more likely than not" test, but also reasonable doubt standard); County Court of Ulster County v. Allen, 442 U.S. 140 (1979) (upholding statutory presumption permitting inference of possession of illegal firearm by all persons in vehicle from proof of firearm's presence in vehicle).

instructions or like matter to the Uniform Law.

Very truly yours,

PIERSON, BALL & DOWD

y: Work

Gordon W. Hatheway, Jr.