2006 AL H 537 AUTHOR: Martin VERSION: Enacted VERSION DATE: 04/21/2006

Rep(s). By Representatives Martin and Vance

Bill Number: HB537

ENROLLED, An Act,

To amend Sections 34-1A-1, 34-1A-2, and 34-1A-3, as amended by Act 2004-103, 2004 Regular Session (Acts 2004, p. 137), and Section 34-1A-6, Code of Alabama 1975, relating to alarm system installers, to provide for the regulation of locksmiths by the Alabama Electronic Security Board of Licensure.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 34-1A-1, 34-1A-2, and 34-1A-3, as amended by Act 2004-103, 2004 Regular Session (Acts 2004, p. 137), and Section 34-1A-6, Code of Alabama 1975, are amended to read as follows:

Section 34-1A-1.

"For the purpose of regulating alarm system installers <u>and locksmiths</u>, the following terms shall have the following meanings unless the context clearly indicates otherwise:

"(1) ALARM SYSTEM. Burglar alarms, television cameras, or other electrical or electronic device used to prevent or detect burglary, theft, shoplifting, pilferage, and other similar losses. The term does not include any fire detection, fire alarm, or fire communication system.

"(2) ALARM SYSTEM INSTALLER. A person or business entity that offers to undertake, represents itself as being able to undertake, or does undertake the installation, service, or monitoring, of alarm systems for the public for any type of compensation. guards to respond, or both.

"(3) BURGLAR ALARM. An assembly of equipment and devices, or a single device such as a solid-state unit which plugs directly into an AC line, designed to detect an unauthorized intrusion or an attempted robbery at a protected premises or signal public police or private guards to respond, or both.

"(4) INSTALLATION. The initial placement of equipment or the extension, modification, or alteration of equipment after initial placement.

" (5) LOCKSMITH. A person or business entity that offers to undertake, represents itself as being able to undertake, or does undertake the installation or service of locks for residential or commercial use.

" (5)-(6) SERVICE. Necessary repair in order to return the system to operational condition.

Section 34-1A-2.

"(a) The Alabama Electronic Security Board of Licensure is created.

"(b) The board, which shall reflect the racial, gender, geographic, urban and rural, and economic diversity of the state, shall consist of the following members to be appointed by the Governor <u>and subject to confirmation by the Alabama Senate</u>:

"(1) One member <u>Two members</u> representing the alarm system industry selected from three <u>five</u> nominees submitted by the Alabama Alarm Association.

"(2) One member of the Alabama Consulting Engineers Association selected from three nominees submitted by that association.

"(3) One member of the Alabama Sheriff's Association selected from three nominees submitted by that association.

"(4) One member who is an alarm system manufacturer <u>a locksmith</u> selected from three nominees submitted by the Alabama <u>Alarm Locksmith</u> Association.

"(5) A person who is a representative of the consumers of the state.

"(c)(1) The terms of the board members shall be four years.

"(2) Of these members first appointed, two shall be appointed to four-year terms, two for three-year terms, and one for a two-year term.

"(3) Any vacancy occurring other than by expiration of terms shall be filled for the remainder of the unexpired term by appointment by the Governor, subject to the nominating process specified in subsection (b).

"(4) No member shall serve more than two successive four-year terms.

"(5) A member shall serve until a successor is appointed and assumes office.

"(d) Members shall be paid out of the funds of the board the same per diem as prescribed by law for state employees for each day of attendance of board business.

"(e) Meetings shall be held at least four times per year. Special meetings shall be held

at the call of the chair or by a majority of the members.

"(f)(1) The board may adopt rules of proceedings.

"(2) <u>A majority <u>Three members</u> of the board constitutes a quorum.</u>

"(3) The board shall elect a chair on an annual basis.

Section 34-1A-3.

"The board shall have all of the following powers:

"(1) License and regulate persons and business entities engaged in business as an alarm system installer or as a locksmith.

"(2) Establish the qualifications for licensure to ensure competency and integrity to engage in these businesses and allow graduates of technical school or community college programs in related fields to qualify.

"(3) Examine, or cause to be examined, the qualifications of each applicant for licensure including the preparation, administration, and grading of examinations, and when necessary, requiring the applicant to supply a board approved background investigation.

"(4) License qualified applicants regulated by the board.

"(5) Revoke, suspend, or fail to renew a license for just cause as enumerated in the regulations of the board.

"(6) Levy and collect reasonable fees for licensure, including, but not limited to, the application process and testing of applicants, and renewal, suspension, and reissuance of licenses, and costs of necessary hearings, that are sufficient to cover all expenses for the administration and operation of the board.

"(7) Promulgate rules and regulations in accordance with the Administrative Procedure Act necessary to perform its duties, to ensure continued competency, to prevent deceptive, misleading, or criminal practices by its licensees, and to effectively administer the regulatory system administered by the board.

"(8) Register or by other means monitor employees of a licensee to ensure such employees do not impair the ability of the licensee to satisfy the requirements of this chapter.

"(9) Receive and investigate complaints concerning the conduct of any person or business entity whose activities are regulated by the board, conduct hearings in accordance with procedures established by the board pursuant to the Alabama Administrative Procedure Act, and take appropriate disciplinary action if warranted.

"(10) Ensure that periodic inspections are conducted relating to the operations of licensees to ensure competency and lawful compliance.

"(11) Require the purchase of comprehensive liability insurance related to business activities in a minimum specified amount.

"(12) Require licensees and employees of licensees have available a photo identification card at all times when providing licensed services.

"(13) Promulgate canons of ethics under which the regulated professional activities of persons and business entities shall be conducted.

"(14) Employ or contract for necessary personnel, including a director, and provide necessary offices, supplies, and equipment to fulfill the requirements of this chapter.

"(15) Delegate its powers and duties by resolution to a named designee.

"(16) Enter into contracts and expend funds of the board to fulfill the requirements of this chapter.

"(17) Borrow money for the initial start-up operation of the board until sufficient receipts are paid into the special revenue trust fund specified in Section 34-1A-9.

" (18) Work with the office of the Attorney General and other law enforcement agencies to prohibit any violation of this chapter.

" (19) Establish volunteer procedures for those persons or businesses that are exempt from this chapter.

Section 34-1A-6.

"The licensing and regulatory provision of this chapter shall not apply to any of the following persons, entities, or activities:

"(1) A person or business entity which only sells alarm systems at the premises of a customer, but does not enter the premises of the customer or install, service, monitor, or respond to the alarm system at the premises of the customer.

"(2) The installation, servicing, monitoring, or responding to an alarm device which is installed in a motor vehicle, aircraft, or boat.

"(3) The installation of an alarm system on property owned by or leased to the installer.

" (4) A locksmith who does not install, service or monitor alarm systems.

"(5)-(4) A person or business entity who owns, installs, or monitors alarm systems, on his or her own property or, if he or she does not charge for the system or its installation, installs it for the protection of his or her personal property located on the property of another, and does not install or monitor the system as a normal business practice on the property of another.

" (6) (5) A person or business entity whose sale of an alarm system is exclusively overthe-counter or by mail order.

" (7)-(6) A person or business entity in the business of building construction that installs electrical wiring and devices that may include in part the installation of an alarm system if both of the following apply:

"a. The person or business entity is a party to a contract that provides that the installation shall be performed under the direct supervision of, inspected, and certified by a person or business entity licensed to install an alarm system and that the licensee assumes full responsibility for the installation and service of the alarm system.

"b. The person or business entity does not service, monitor, or maintain the alarm system.

" (8)-(7) The response to an alarm system by a law enforcement agency or by a law enforcement officer acting in an official capacity.

"(9)(8) A business that engages in the installation or operation of telecommunications facilities or equipment which are used for the transport of any signal, data, or information outside the continuous premises on which any alarm system is installed or maintained.

" (10) (9) Any business entity, business owner, or person, or the agent or employee of such business entity, business owner, or person engaging in the routine visual inspection or manufacturer's or installer's recommended testing of an alarm system subject to this chapter owned by the business entity, business owner, or person and installed on property under the control of the business entity, business owner, or person.

" (11) (10) Any business entity, or person, or those engaged in property management, or agent or subcontractors or employees thereof, who, in the normal course of business, engage in the routine inspection, service, or replacement of such alarm systems, fire alarm or fire/smoke detection systems, fire communication systems, or security devices subject to this chapter, on or in property owned or under the control of such business entity, or person, or property manager.

" (12) (11) Consulting engineers who design, develop, modify, or offer other services within the scope of their profession regarding alarm systems.

" (13)-(12) A licensed general contractor and the employees of the contractor whose activities are limited to the projects of the licensed general contractor that qualify for a license by the general contractor's board.

" (14) (13) An electrician who is licensed by the state as an electrical contractor or an electrician who is licensed by the city or county as a master electrician. A licensed electrician, master electrician, and electrical contractor who is licensed by the city, county, or state and their employees whose activities are limited to the projects of the licensed electrician, master electrician, and electrical contractor.

" (15) (14) A licensed homebuilder and the employees of the homebuilder whose activities are limited to the projects of the licensed homebuilder."

Section 2. This act shall become effective on the first day of the third month following its passage and approval by the Governor, or its otherwise becoming law.