

By: Senator(s) Mettetal

To: Business and Financial
Institutions

SENATE BILL NO. 2742

1 AN ACT TO CREATE THE MISSISSIPPI RESIDENTIAL ELECTRONIC
2 PROTECTION LICENSING ACT; TO ESTABLISH STATEWIDE UNIFORM
3 PROCEDURES AND QUALIFICATIONS FOR THE LICENSURE OF INDIVIDUALS AND
4 COMPANIES WHICH OFFER ELECTRONIC PROTECTIVE SYSTEMS TO THE GENERAL
5 PUBLIC; TO PROVIDE FOR LICENSE RENEWAL AND CONTINUING EDUCATION
6 REQUIREMENTS; TO AUTHORIZE THE STATE FIRE MARSHAL TO ASSESS AND
7 COLLECT FEES; TO CREATE THE ELECTRONIC PROTECTION LICENSING
8 ADVISORY BOARD; TO PROVIDE ADMINISTRATIVE AND CIVIL PENALTIES FOR
9 CERTAIN VIOLATIONS; TO PROVIDE FOR THE EFFECT ON LOCAL REGULATION;
10 AND FOR RELATED PURPOSES.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

12 SECTION 1. This act shall be known and may be cited as the
13 "Mississippi Residential Electronic Protection Licensing Act."

14 SECTION 2. The purpose of this act is to assure the general
15 public of the competence of individuals and companies which offer
16 electronic protective systems, burglar alarms systems, fire alarms
17 systems, closed circuit television alarm systems, or services
18 relating to such alarms or systems to the general public by
19 establishing statewide uniform procedures and qualifications for
20 the licensure of such individuals and companies.

21 SECTION 3. As used in this act, the following terms shall
22 have the meanings specified in this section:

23 (a) "Alarm contracting" means providing a residential
24 electronic protective system, or a closed circuit television alarm
25 system to another by any means, including, but not limited to, the
26 sale, lease, rent, design, planning with the intent to pre-wire,
27 pre-wiring, installation, maintenance, repair, testing,
28 modification, improvement, alteration, inspection or servicing of
29 an electronic protective system, or closed circuit television
30 alarm system; holding oneself or one's company out for hire to

31 perform any such task; or otherwise offering to perform any such
32 task for compensation, either directly or indirectly.

33 (b) "Alarm contracting company" means an entity that
34 holds a Class A license issued by the State Fire Marshal pursuant
35 to this act.

36 (c) "Board" means the Electronic Protection Advisory
37 Licensing Board.

38 (d) "Burglar alarm" or "burglar alarm system" means an
39 alarm, alarm system or portion of such an alarm or system intended
40 to detect or warn of an intrusion or other emergency, including a
41 fire, in a structure that meets ANSI/SIA CP-01 standards.

42 (e) "Company" means a proprietorship, partnership,
43 corporation, limited-liability company or any other entity.

44 (f) "Designated agent" means an owner or a manager who
45 holds a Class B license of an alarm contracting company or fire
46 alarm contracting company or closed circuit television alarm
47 system contracting company, who has been assigned the
48 responsibility of submitting any notice required by this act to
49 the State Fire Marshal.

50 (g) "Supervision" means constant on-site supervision by
51 a licensed Class B or Class C alarm system technician.

52 (h) "Electronic protective system" means a device or a
53 series or assembly of interconnected devices which, when activated
54 by automatic or manual means, produces an audible, visual or
55 electronic signal intended to detect or warn of a threat to a
56 structure or its occupants. This term shall include a burglar
57 alarm system, a household fire warning system, a single station
58 fire alarm or a closed circuit television alarm system, all as
59 defined in this act, or a portion or combination of such alarms or
60 systems. However, the term "electronic protective system" shall
61 not include the following: (i) an alarm system installed in a
62 motor vehicle; (ii) a burglar alarm system, or household fire
63 warning system sold at retail to an individual end user for

64 self-installation; (iii) a single station fire alarm installed in
65 a private residence by a fire department, the State Fire Marshal,
66 a public agency, a volunteer association or their designated
67 representatives where no compensation is received for such
68 installation.

69 (i) "Employee" means a person who performs services for
70 wages or salary.

71 (j) "Employer" means a person or entity who hires
72 another to perform services for a wage or salary.

73 (k) "Household fire warning system" means a fire alarm,
74 fire alarm system or portion of such an alarm or system intended
75 to detect or warn of smoke or fire and intended for use in a
76 residential one- or two-family dwelling or wholly within the
77 confines of an individual living unit in a residential multifamily
78 structure.

79 (l) "Individual license" means a Class B, C, D or T
80 license issued by the State Fire Marshal pursuant to this act.

81 (m) "Licensee" means a person or entity to whom a
82 license is granted pursuant to this act.

83 (n) "Officer" means the president, vice president,
84 secretary, treasurer, comptroller or any other person who performs
85 functions for an alarm contracting company or single station fire
86 alarm contracting company, or closed circuit television alarm
87 system contracting company, corresponding to those performed by
88 those officers.

89 (o) "Operating location" means a physical address that
90 houses or maintains records of clients. Client records must be
91 maintained for inspection by the State Fire Marshal for a
92 three-year period.

93 (p) "Person" means a natural person or individual.

94 (q) "Principal" means a person or entity that owns at
95 least twenty percent (20%) of an alarm contracting company, a
96 single station fire alarm contracting company or a closed circuit

97 television alarm system contracting company regardless of the form
98 of organization.

99 (r) "Salesperson" means a person who solicits another
100 on behalf of an alarm contracting company, a single station fire
101 alarm contracting company or a closed circuit television alarm
102 system contracting company by any means, including, but not
103 limited to, telephone or electronic device, public notice or
104 advertisement, door-to-door or any other type of personal
105 interaction, or a person who participates in design, plan,
106 specification or layout of an electronic protective system on
107 behalf of an alarm contracting company, a single station fire
108 alarm contracting company or a closed circuit television alarm
109 system contracting company.

110 (s) "Single station fire alarm" means any alarm
111 intended to detect or warn of smoke or fire and intended for use
112 in a residential dwelling, and which alarm is neither connected to
113 any external power source nor is linked or connected to any other
114 device or monitoring system.

115 (t) "Single station fire alarm contracting" means
116 providing a single station fire alarm to another by any means,
117 including, but not limited to, the sale, lease, rent, design,
118 installation, maintenance, repair, testing, modification,
119 improvement, alteration, inspection or servicing of a single
120 station fire alarm; holding oneself or one's company out for hire
121 to perform any such task; or otherwise offering to perform any
122 such task for compensation, either directly or indirectly.

123 (u) "Single station fire alarm contracting company"
124 means an entity that holds a Class A license issued by the State
125 Fire Marshal pursuant to this act.

126 (v) "Closed circuit television alarm system" means an
127 alarm system that provides video surveillance of events, primarily
128 by means of transmission, recording, or transmission and recording

129 of visual signals through the use of cameras, receivers, monitors
130 and other visual imaging systems.

131 (w) "Closed circuit television alarm system contracting
132 company" means an entity that holds a Class A license issued by
133 the State Fire Marshal pursuant to this act.

134 (x) "Closed circuit television alarm system
135 contracting" means the selling, designing, repairing, servicing,
136 adjusting and installing of closed circuit television alarm
137 devices.

138 **SECTION 4.** (1) The State Fire Marshal shall administer and
139 enforce the provisions of this act and shall have the authority to
140 promulgate and adopt such rules and regulations as may be
141 necessary for such proper administration and enforcement. The
142 Electronic Protection Advisory Licensing Board created in Section
143 11 of this act shall advise the State Fire Marshal with respect to
144 the rules and regulations of the provisions of this act. The
145 State Fire Marshal shall have the authority to approve written
146 training programs or acceptable equivalents for meeting the
147 training requirements of this licensing law. The State Fire
148 Marshal may also accept, as such an equivalent, licensure of a
149 company or person by a jurisdiction outside this state, which has
150 standards and requirements of practice which substantially conform
151 to the provisions of this act. The State Fire Marshal shall also
152 establish continuing education requirements.

153 (2) Application for a Class A license. In order to engage
154 in alarm contracting, a company shall apply for and obtain a Class
155 A license for each operating location doing business in the state.
156 A Class A license shall authorize a company to engage in any type
157 of alarm contracting. An applicant for a Class A license shall
158 submit the following to the State Fire Marshal:

159 (a) Documentation that the company is an entity duly
160 authorized to conduct business within this state.

161 (b) Documentation that the company holds a general
162 liability and errors and omissions insurance policy, or a surety
163 bond, in an amount not less than Three Hundred Thousand Dollars
164 (\$300,000.00).

165 (c) Documentation that the company carries a current
166 and valid worker's compensation insurance policy as required by
167 state law.

168 (d) The name of the person who will serve as the
169 designated agent of the company.

170 (e) For a company applying for a Class A license,
171 evidence that the company has at least one (1) employee who holds
172 a Class B license at each of its operating locations.

173 (f) A statement that no officer or principal has been
174 convicted of a felony, has received a first-time offender pardon
175 for a felony, or has entered a plea of guilty or nolo contendere
176 to a felony charge.

177 (i) A conviction or a plea of guilty or nolo
178 contendere to a felony charge or receipt of a first-time offender
179 pardon shall not constitute an automatic disqualification as
180 otherwise required pursuant to paragraph (f) if ten (10) or more
181 years have elapsed between the date of application and the
182 successful completion or service of any sentence, deferred
183 adjudication or period of probation or parole.

184 (ii) Subparagraph (i) shall not apply to any
185 person convicted of a felony crime of violence or a sex offense as
186 defined in the Mississippi Criminal Code.

187 (iii) The Office of the State Fire Marshal may
188 consider the seriousness and circumstances of the offense and
189 subsequent arrests.

190 (g) The application fee authorized by this act.

191 (h) Documentation that the company is located within
192 the physical boundaries of the state.

193 (i) A statement authorizing the State Fire Marshal to
194 order fingerprint analysis or any other analysis or documents
195 deemed necessary by the State Fire Marshal for the purpose of
196 verifying the criminal history of a named officer or principal.
197 The State Fire Marshal shall have the authority to conduct
198 criminal history verification on a local, state or national level.
199 The State Fire Marshal shall have the authority to determine if
200 information submitted by an applicant is in a form acceptable to
201 him. The State Fire Marshal shall verify or have another entity
202 verify information submitted by each applicant.

203 (j) The name of each company providing monitoring
204 services.

205 **SECTION 5.** (1) If the State Fire Marshal finds that a
206 company has met the requirements of licensing, he shall issue a
207 Class A license to engage in alarm contracting to that company
208 upon payment of the license fee authorized by this act. Such
209 license shall include the name of the designated agent of the
210 alarm contracting company as applicable.

211 (2) Each alarm contracting company shall be physically
212 located within the boundaries of the state and shall clearly
213 display its license in a conspicuous location at its place of
214 business.

215 (3) Each alarm contracting company shall employ a Class B
216 license holder. The designated agent of an alarm contracting
217 company shall notify the State Fire Marshal within ten (10) days
218 of the following:

219 (a) Any change in the business address of the company.

220 (b) (i) Any change in ownership of or interest in the
221 company.

222 (ii) Any owner, partner or other principal with an
223 interest in the company, which has been convicted of a felony or
224 entered a plea of guilty or nolo contendere to a felony charge or
225 received a first-time offender pardon. A felony that has been

226 dismissed pursuant to the Mississippi Criminal Code or equivalent
227 judicial dismissal shall not apply to this paragraph.

228 (iii) A conviction or a plea of guilty or nolo
229 contendere to a felony charge or receipt of a first-time pardon
230 shall not constitute an automatic disqualification as otherwise
231 required pursuant to subparagraph (ii) if ten (10) or more years
232 have elapsed between the date of application and the successful
233 completion or service of any sentence, deferred adjudication, or
234 period of probation or parole.

235 (iv) Subparagraph (i) shall not apply to any
236 person convicted of a crime of violence or a sex offense as
237 defined within the Mississippi Criminal Code.

238 (v) The Office of the State Fire Marshal may
239 consider the seriousness and circumstances of the offense and
240 subsequent arrests.

241 (c) Any change in the employment of a person holding an
242 individual license.

243 (d) A change of the company providing monitoring
244 services.

245 (4) In the event of the death of its designated agent or his
246 separation from the company for any other reason, an alarm
247 contracting company, shall name another owner or manager as its
248 designated agent within ninety (90) days and shall notify the
249 State Fire Marshal of such designation within ten (10) days.

250 (5) Each alarm contracting company doing business in the
251 state shall be open for inspection by the State Fire Marshal or
252 his designated representative at any reasonable time for the
253 purpose of observation and collection of facts and data relating
254 to proper enforcement of this act. No person acting on behalf of
255 an alarm contracting company shall refuse to admit the State Fire
256 Marshal or his designated representative to an operating location.

257 **SECTION 6.** (1) Any person employed by an alarm contracting
258 company shall hold an individual license issued by the State Fire

259 Marshal. Such a license shall authorize its holder to engage in
260 alarm contracting, single station fire alarm contracting or closed
261 circuit television alarm system contracting, only to the extent of
262 its terms as further provided in this act.

263 (2) Any person desiring to engage in alarm contracting,
264 single station fire alarm contracting or closed circuit television
265 alarm system contracting shall apply to the State Fire Marshal on
266 a form specified and provided by the State Fire Marshal. Such
267 application shall be accompanied by:

268 (a) Two (2) suitable photographs of the applicant
269 acceptable to the State Fire Marshal. The State Fire Marshal
270 shall keep one (1) photograph on file and shall make the other
271 photograph a part of any license subsequently issued to the
272 applicant.

273 (b) Except as provided in subsection (9), documentation
274 that the applicant meets educational requirements applicable to
275 the type of license for which he is applying, as follows:

276 (i) For a Class B license: a minimum of National
277 Burglar and Fire Alarm Association, Advanced Fire Alarm Technician
278 training course or equivalent training approved by the State Fire
279 Marshal, and documentation proving residency within a radius of
280 one hundred fifty (150) miles of the Class A licensed office to
281 which he is assigned.

282 (ii) For a Class C license: a minimum of National
283 Burglar and Fire Alarm Association, Level 1 training course, or
284 equivalent training approved by the State Fire Marshal.

285 (iii) For a Class D license: a minimum of
286 National Burglar and Fire Alarm Association, Sales Understanding
287 Alarms training course, or equivalent training approved by the
288 State Fire Marshal, or a minimum of two (2) years of design and
289 sales experience in the alarm industry attested to in a notarized
290 affidavit and payroll records provided by the applicant.

291 (iv) For a Class T license: application for a
292 Class B, Class C or Class D license, accompanied by a letter of
293 intent to complete the training requirements of such license types
294 within twelve (12) months.

295 (c) (i) A statement by the applicant that he has not
296 been convicted of a felony, received a first-time offender pardon
297 for a felony, or entered a plea of guilty or nolo contendere to a
298 felony charge. A felony that has been dismissed pursuant to the
299 Mississippi Criminal Code or equivalent judicial dismissal shall
300 not apply to this paragraph.

301 (ii) A conviction or a plea of guilty or nolo
302 contendere to a felony charge or receipt of a first-time offender
303 pardon shall not constitute an automatic disqualification as
304 otherwise required pursuant to subparagraph (i) if ten (10) or
305 more years have elapsed between the date of application and the
306 successful completion or service of any sentence, deferred
307 adjudication or period of probation or parole.

308 (iii) Subparagraph (ii) shall not apply to any
309 person convicted of a felony crime of violence or a sex offense as
310 defined within the Mississippi Criminal Code.

311 (d) A statement authorizing the State Fire Marshal to
312 order fingerprint analysis or any other analysis or documents
313 deemed necessary by the State Fire Marshal for the purpose of
314 verifying the applicant's criminal history. The State Fire
315 Marshal shall have the authority to conduct criminal history
316 verification on a local, state or national level.

317 (e) The application fee authorized by this subsection.

318 (3) The State Fire Marshal shall have the authority to
319 determine if information submitted by an applicant is in a form
320 acceptable to him. The State Fire Marshal shall verify or have
321 another entity verify information submitted by each applicant.

322 (4) If the State Fire Marshal finds that an applicant has
323 met the applicable requirements of the alarm licensing law, he

324 shall issue the appropriate type of license to the applicant upon
325 payment of the license fee authorized by this act.

326 (5) Each individual license holder shall maintain his
327 license on his person while engaging in any type of alarm
328 contracting, single station fire alarm contracting or closed
329 circuit television alarm system contracting as applicable. Each
330 such license holder shall present his license for inspection upon
331 demand by an employee of the Office of the State Fire Marshal or a
332 law enforcement officer.

333 (6) Each individual license holder shall notify the State
334 Fire Marshal, on a form specified and provided by the State Fire
335 Marshal, within ten (10) days of the following:

336 (a) Any change in business or home address.

337 (b) Any separation from an employer or change in
338 employer.

339 (c) Any conviction for a felony or entry of a plea of
340 guilty or nolo contendere to a felony charge or receipt of a
341 first-time offender pardon.

342 (7) No individual licensed under this act shall contract for
343 his services as an independent contractor or agent without
344 applying for and being issued a Class A license under this act.
345 No alarm contracting company, single station fire alarm
346 contracting company or closed circuit television alarm system
347 contracting company shall contract for the independent services of
348 a holder of an individual license under this section.

349 (8) The State Fire Marshal may enter into reciprocal
350 agreements with other states for mutual recognition of individual
351 license holders, if the State Fire Marshal has established the
352 criteria for acceptance of reciprocal agreements by rule or
353 regulation.

354 (9) Any person engaged in alarm contracting, single station
355 fire alarm contracting or closed circuit television alarm system
356 contracting, on or before July 1, 2006, shall automatically be

357 issued a license without having to show documentation that the
358 applicant meets the educational requirements applicable to the
359 type of license for which he is applying.

360 **SECTION 7.** The State Fire Marshal is authorized to issue
361 individual licenses to qualified applicants, and entitles the
362 license holder to perform the following:

363 (a) Class B license: Alarm System Technician. Such
364 license shall authorize its holder to design, plan, specify,
365 layout, sell, pre-wire, install, maintain, repair, test, inspect
366 or service an electronic protective system while in the employ of
367 an alarm contracting company.

368 (b) Class C license: Alarm System Installer. Such
369 license shall authorize its holder to design, plan, specify, lay
370 out, sell, pre-wire, install, maintain, repair, test, inspect or
371 service an electronic protective system while in the employ of an
372 alarm contracting company.

373 (c) Class D license: Alarm System Salesperson. Such
374 license shall authorize its holder to design, plan, specify, lay
375 out or sell an electronic protective system while in the employ of
376 an alarm contracting company.

377 (d) Class T license: Alarm Apprentice. Such license
378 shall authorize its holder to design, plan, specify, lay out,
379 sell, pre-wire, install, maintain, repair, test, inspect or
380 service an electronic protective system while in the employ of an
381 alarm contracting company while under the supervision of a Class
382 B, Class C or Class D license holder in the same employ of an
383 alarm contracting company. A Class T license shall be valid only
384 for a period of twelve (12) months from the date of issue and
385 shall not be renewed.

386 **SECTION 8.** (1) No person or company shall engage in alarm
387 contracting without holding a current and valid license issued by
388 the State Fire Marshal as provided in this act. However, this
389 requirement for licensure shall not apply to:

390 (a) Any company or natural person licensed to perform
391 electrical work by the State Licensing Board of Contractors. This
392 exception from licensure shall also apply to the employees of a
393 company or natural person excepted by this paragraph, but only as
394 to work performed by them on behalf of the excepted employer.

395 (b) The installation of wire, conduit or other wire
396 raceways, its associated boxes or fittings, or single or multiple
397 station smoke detectors by an entity legally authorized to install
398 commercial light and power service in this state or employees of
399 such an entity.

400 (c) Any owner, management company or public institution
401 and such person's or entity's employees while such person or
402 entity is designing, installing, inspecting, repairing, servicing,
403 recoding, adjusting or testing closed circuit television alarm
404 systems, on the premises of the owner or public institution during
405 the normal course and scope of his duties.

406 (d) Any owner, management company or public institution
407 and such person's or entity's employees while such person or
408 entity is designing, installing, inspecting, repairing, servicing
409 or testing a burglar alarm system only on the premises of the
410 owner or public institution during the normal course and scope of
411 his duties.

412 (2) No person or company shall aid, abet, facilitate or
413 otherwise assist any unlicensed person or company in engaging in
414 alarm contracting, single station fire alarm contracting or closed
415 circuit television alarm system contracting, including, but not
416 limited to, the sale of an electronic protective system as defined
417 in this act when such person or company knew or should have known
418 that the person or company thus assisted was unlicensed.

419 (3) No person or company shall engage in closed circuit
420 television alarm system contracting without holding a current and
421 valid license issued by the State Fire Marshal as provided in this
422 act. However, this requirement shall not apply to the following:

423 (a) An officer or employee of the United States, this
424 state, or any political subdivision of either, while engaged in
425 the performance of his official duties within the course and scope
426 of his employment with the United States, this state, or any
427 political subdivision of either.

428 (b) Any company or natural person licensed to perform
429 electrical work by the State Licensing Board of Contractors. This
430 exception from licensure shall also apply to the employees of a
431 company or natural person excepted by this paragraph, but only as
432 to work performed by them on behalf of the excepted employer.
433 Notwithstanding any other provision of this act, no person
434 licensed under this act may install primary power sources of one
435 hundred (100) volts or greater when such power source is being
436 installed to operate low-voltage systems.

437 **SECTION 9.** (1) (a) Each license issued pursuant to this
438 act shall be valid for a period of one (1) year from its date of
439 issuance and shall be renewed annually, on or before the
440 anniversary date, by forwarding to the State Fire Marshal a
441 renewal application accompanied by the payment of the renewal fee
442 authorized by this act.

443 (b) Each licensee renewing a Class B, Class C or Class
444 D license shall additionally submit required documentation of
445 having satisfactorily completed continuing education requirements
446 as established by the State Fire Marshal.

447 (2) Any license not renewed on or before its anniversary
448 date shall expire and may be reinstated only upon payment of the
449 reinstatement fee authorized by this act.

450 **SECTION 10.** (1) The State Fire Marshal is authorized to
451 assess and collect fees pursuant to this act, the amount of which
452 shall not exceed the following:

453 (a) Application fee for a Class A, Class B, Class C or
454 Class D license..... \$100.00.

455 (b) Provisional or original company Class A

456 license..... \$350.00.
 457 (c) Provisional or original individual Class B,
 458 Class C or Class D license..... \$ 50.00.
 459 (d) Provisional or original individual Class T
 460 license..... \$ 25.00.
 461 (e) Annual renewal for Class B, Class C or Class D
 462 license fee..... \$ 50.00.
 463 (f) Annual renewal for a Class A license
 464 fee..... \$200.00.
 465 (g) Fee for a duplicate or replacement
 466 license..... \$ 20.00.

467 (2) The fees established in this section shall not be
 468 refundable except under such conditions as the State Fire Marshal
 469 may establish.

470 (3) All monies received by the State Fire Marshal pursuant
 471 to this act, including, but not limited to, fees and fines, shall
 472 be deposited immediately upon receipt by the State Fire Marshal
 473 into a special fund which is hereby created in the State Treasury
 474 and designated as the Residential Electronic Protection Licensing
 475 Fund.

476 (4) The monies in the Residential Electronic Protection
 477 Licensing Fund shall be used solely for implementation,
 478 administration and enforcement of this act and only in the amounts
 479 appropriated each year to the State Fire Marshal or the board by
 480 the Legislature. Any surplus monies and interest remaining to the
 481 credit of the fund at the end of the fiscal year shall remain to
 482 the credit of the fund, and no part thereof shall revert to the
 483 State General Fund.

484 **SECTION 11.** (1) The Electronic Protection Licensing
 485 Advisory Board is hereby created within the Department of
 486 Insurance. The board shall be composed of seven (7) members, as
 487 follows:

488 (a) Three (3) members shall be appointed by the
489 Governor, one (1) member from each State Supreme Court District.
490 Each member shall possess a valid Class A or Class B license and
491 may be appointed from a list submitted by the Mississippi Alarm
492 Association. Each of these appointments initially will have
493 staggered terms. One (1) appointment will serve for two (2)
494 years, one (1) appointment will serve for three (3) years, and the
495 last appointment will serve for four (4) years. After the initial
496 appointment terms, each appointee will serve for four (4) years.

497 (b) One (1) member shall be appointed by the State Fire
498 Marshal from a list of nominees submitted to the State Fire
499 Marshal by the Mississippi Alarm Association as a representative
500 from the Alarm Manufacturing Industry. This appointment will
501 serve for four (4) years.

502 (c) Two (2) members shall be appointed by the Governor
503 at his discretion, one (1) of which shall be a law enforcement
504 officer and one (1) shall be from the private sector. Each of
505 these appointments will serve for four (4) years, concurrent with
506 the term of the Governor.

507 (d) One (1) member shall be an employee of the Office
508 of the State Fire Marshal designated by the State Fire Marshal.
509 Such member shall serve as the chairman of the board but shall not
510 vote except in the event of a tie vote of the members present and
511 voting.

512 (2) (a) Each appointed member shall serve a term of four
513 (4) years.

514 (b) The member designated by the State Fire Marshal
515 shall serve a term concurrent with the term of the State Fire
516 Marshal making such designation.

517 (c) No member shall serve more than two (2) consecutive
518 terms except the member designated by the State Fire Marshal.

519 (d) A vacancy on the board occurring prior to
520 expiration of a term shall be filled in the manner of the original
521 appointment for the remainder of the term.

522 (3) The board shall meet at every quarter, or upon the call
523 of the chairman or upon the written request of any three (3)
524 members of the board. Notice of any such meeting shall be given
525 to board members and the public at least fourteen (14) days in
526 advance.

527 (4) Four (4) members of the board shall constitute a quorum
528 for the transaction of business. The board may take action by
529 majority vote of its members present and voting.

530 (5) Each appointed member of the board shall be reimbursed
531 for travel and related expenses incurred, not to exceed those
532 expenses authorized for reimbursement by the Department of
533 Insurance, for each day that the member engages in board business.

534 (6) No member of the board shall be liable to civil action
535 for any act performed in good faith in the execution of his duties
536 as a board member.

537 **SECTION 12.** (1) Class I offenses shall be as follows:

538 (a) Signature of or submission of any document to the
539 State Fire Marshal when the applicant or licensee reasonably
540 should have known that the document contained false or misleading
541 information.

542 (b) Failure of an alarm contracting company, single
543 station fire alarm contracting company or closed circuit
544 television company to timely notify the State Fire Marshal of
545 certain changes in the status of the licensee as required by this
546 licensing law.

547 (c) Failure of an alarm contracting company, single
548 station fire alarm contracting company or closed circuit
549 television alarm system contracting company as applicable, to do
550 either of the following:

551 (i) Clearly display the company's license at its
552 place of business as required.

553 (ii) Replace a required Class B, license holder or
554 its designated agent and to timely notify the State Fire Marshal
555 as required by this licensing law.

556 (d) Failure of an individual license holder to maintain
557 his license on his person and to present it for inspection as
558 required by this licensing law.

559 (e) Assisting an unlicensed person or company to engage
560 in alarm contracting, single station fire alarm contracting or
561 closed circuit television alarm system contracting as prohibited.

562 (f) Refuse to admit the State Fire Marshal or his
563 designated representative to an operating location or refuse to
564 cooperate in the purposes of such admittance as required.

565 (2) Class II offenses shall be as follows:

566 (a) Commission of a second Class I offense.

567 (b) A Class I offense committed during a probation of
568 one's licensure for a Class I offense.

569 (3) A Class III offense shall be as follows:

570 (a) The knowing and willful signature of or submission
571 of any document to the State Fire Marshal when the applicant or
572 licensee knew that document contained false or intentionally
573 misleading information.

574 (b) Engaging in alarm contracting, single station fire
575 alarm contracting or closed circuit television alarm system
576 contracting without a license as prohibited.

577 (c) Engaging in alarm contracting, single station fire
578 alarm contracting or closed circuit television alarm system
579 contracting during suspension of one's license.

580 (d) The repeated, flagrant and willful commission of
581 Class I offenses.

582 (e) Failure by an alarm contracting company to maintain
583 a general liability and errors and omissions insurance policy as

584 required, or to maintain a workers' compensation insurance policy
585 as required by state law.

586 (f) Engaging in false, misleading or deceptive acts or
587 practices.

588 **SECTION 13.** (1) The State Fire Marshal may impose, by
589 written citation after reasonable notice and opportunity for
590 hearing in accordance with the Administrative Procedures Act,
591 penalties for violation of this act as provided in this section.
592 Appeals from imposition of such penalties shall also be governed
593 by the Administrative Procedure Act.

594 (2) A Class I offense shall be punishable by any or all of
595 the following:

596 (a) Written reprimand by the State Fire Marshal. Such
597 reprimand shall be a part of the record of the licensee and shall
598 be maintained by the State Fire Marshal for a period of three (3)
599 years. During such time, the reprimand may be given consideration
600 in taking any subsequent disciplinary action against that
601 licensee.

602 (b) Probation of licensure for not more than twelve
603 (12) months. Such probation may include placement of restrictions
604 on the alarm contracting, single station fire alarm contracting or
605 closed circuit television alarm system contracting activities and
606 the license of the offender. Any subsequent offense committed
607 during probation will make the offender subject to penalties for a
608 Class II offense.

609 (c) A fine of not more than Five Hundred Dollars
610 (\$500.00).

611 (3) A Class II offense shall be punishable by any or all of
612 the following:

613 (a) Any penalty authorized for a Class I offense.

614 (b) Suspension of licensure for not more than
615 twenty-four (24) months.

616 (c) A fine of not more than One Thousand Dollars
617 (\$1,000.00).

618 (4) A Class III offense shall be punishable by any or all of
619 the following:

620 (a) Any penalty authorized for a Class II offense.

621 (b) Revocation of licensure.

622 (c) A fine of not more than Five Thousand Dollars
623 (\$5,000.00).

624 (5) The State Fire Marshal may impose a separate penalty for
625 each separate commission of an offense.

626 **SECTION 14.** (1) Except for requirements which pertain to
627 all types of businesses generally, no county or municipality shall
628 enact any new ordinance, rule or regulation regulating companies
629 and persons subject to licensure pursuant to this act.

630 (2) This act shall supersede any existing county or
631 municipal ordinance, rule or regulation requiring certification or
632 licensure of companies and persons engaged in alarm contracting,
633 single station fire alarm contracting, and such ordinances, rules
634 and regulations shall be null, void and of no effect.

635 (3) Additionally, this act shall supersede any existing
636 county or municipal ordinance, rule or regulation requiring
637 certification or licensure of companies and persons engaged in
638 closed circuit television alarm system contracting and such
639 ordinances, rules and regulations shall be null, void and of no
640 effect.

641 **SECTION 15.** (1) In addition to the penalties otherwise
642 provided for by this act, the State Fire Marshal may cause to
643 issue in any court of competent jurisdiction an injunction without
644 bond enjoining any person from violating or continuing to violate
645 the provisions of this act.

646 (2) In the suit for an injunction, the State Fire Marshal
647 may demand of the defendant a penalty of Fifty Dollars (\$50.00)
648 per day for each violation, reasonable attorney fees and court

649 costs. Judgment for penalty, attorney fees and court costs may be
650 rendered in the same judgment in which the injunction is made
651 absolute. However, if such injunction is not made absolute, the
652 State Fire Marshal shall be liable to the defendant for the
653 payment of his attorney fees and court costs.

654 **SECTION 16.** (1) Each alarm contracting company engaged in
655 alarm contracting who sells an electronic protective system to a
656 consumer shall immediately return the lockout, installer or
657 programming code of the electronic protective system to the
658 factory default setting when the consumer cancels the contract
659 with the alarm company and contracts with another alarm company
660 provided all original contractual obligations are fulfilled.

661 (2) In addition to the penalties provided in this act, any
662 alarm contracting company who violates this section shall have its
663 license revoked and be subject to a civil fine by the board of not
664 less than Five Hundred Dollars (\$500.00) nor more than Two
665 Thousand Dollars (\$2,000.00).

666 **SECTION 17.** This act shall take effect and be in force from
667 and after July 1, 2006.