

By: Senator(s) Mettetal, Dearing

To: Business and Financial  
Institutions

COMMITTEE SUBSTITUTE  
FOR  
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 alarm systems, closed  
17 circuit television alarm systems, or services relating to such  
18 alarms or systems to the general public by establishing statewide  
19 uniform procedures and qualifications for the licensure of such  
20 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 that  
40 meets ANSI/SIP CP-01 Standards and is intended to detect or warn  
41 of an intrusion or other emergency in a structure.

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 closed  
46 circuit television alarm system contracting company, who has been  
47 assigned the responsibility of submitting any notice required by  
48 this act to the State Fire Marshal.

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

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

64 fire alarm system sold at retail to an individual end user for  
65 self-installation or installed by a designated representative of a  
66 retailer as part of the retail transaction or installed by a fire  
67 department, the State Fire Marshal, a public agency, a volunteer  
68 fire association or their designated representatives.

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

75 (l) "Licensee" means a person or entity to whom a  
76 license is granted pursuant to this act.

77 (m) "Officer" means the president, vice president,  
78 secretary, treasurer, comptroller or any other person who performs  
79 functions for an alarm contracting company or closed circuit  
80 television alarm system contracting company, corresponding to  
81 those performed by those officers.

82 (n) "Operating location" means a physical address that  
83 houses or maintains records of clients. Client records must be  
84 maintained for inspection by the State Fire Marshal for a  
85 three-year period.

86 (o) "Person" means a natural person or individual.

87 (p) "Principal" means a person or entity that owns at  
88 least twenty percent (20%) of an alarm contracting company or a  
89 closed circuit television alarm system contracting company  
90 regardless of the form of organization.

91 (q) "Salesperson" means a person who solicits another  
92 on behalf of an alarm contracting company or a closed circuit  
93 television alarm system contracting company by any means,  
94 including, but not limited to, telephone or electronic device,  
95 public notice or advertisement, door-to-door or any other type of  
96 personal interaction, or a person who participates in design,

97 plan, specification or layout of an electronic protective system  
98 on behalf of an alarm contracting company or a closed circuit  
99 television alarm system contracting company.

100 (r) "Closed circuit television alarm system" means an  
101 alarm system that provides video surveillance of events, primarily  
102 by means of transmission, recording, or transmission and recording  
103 of visual signals through the use of cameras, receivers, monitors  
104 and other visual imaging systems.

105 (s) "Closed circuit television alarm system contracting  
106 company" means an entity that holds a Class A license issued by  
107 the State Fire Marshal pursuant to this act.

108 (t) "Closed circuit television alarm system  
109 contracting" means the selling, designing, repairing, servicing,  
110 adjusting and installing of closed circuit television alarm  
111 devices.

112 **SECTION 4.** (1) The State Fire Marshal shall administer and  
113 enforce the provisions of this act and shall have the authority to  
114 promulgate and adopt such rules and regulations as may be  
115 necessary for such proper administration and enforcement. The  
116 Electronic Protection Advisory Licensing Board created in Section  
117 11 of this act shall advise the State Fire Marshal with respect to  
118 the rules and regulations of the provisions of this act. The  
119 State Fire Marshal shall have the authority to approve written  
120 training programs or acceptable equivalents for meeting the  
121 training requirements of this licensing law. The State Fire  
122 Marshal may also accept, as such an equivalent, licensure of a  
123 company or person by a jurisdiction outside this state, which has  
124 standards and requirements of practice which substantially conform  
125 to the provisions of this act. The State Fire Marshal shall also  
126 establish continuing education requirements.

127 (2) Application for a Class A license. In order to engage  
128 in alarm contracting, a company shall apply for and obtain a Class  
129 A license for each operating location doing business in the state.

130 A Class A license shall authorize a company to engage in any type  
131 of alarm contracting. An applicant for a Class A license shall  
132 submit the following to the State Fire Marshal:

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

135 (b) Documentation that the company holds a general  
136 liability and errors and omissions insurance policy, or a surety  
137 bond, in an amount not less than Three Hundred Thousand Dollars  
138 (\$300,000.00).

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

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

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

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

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

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

161 (iii) The Office of the State Fire Marshal may  
162 consider the seriousness and circumstances of the offense and  
163 subsequent arrests.

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

165 (h) Documentation that the company is located within  
166 the physical boundaries of the state.

167 (i) A statement authorizing the State Fire Marshal to  
168 order fingerprint analysis or any other analysis or documents  
169 deemed necessary by the State Fire Marshal for the purpose of  
170 verifying the criminal history of a named officer or principal.  
171 The State Fire Marshal shall have the authority to conduct  
172 criminal history verification on a local, state or national level.  
173 The State Fire Marshal shall have the authority to determine if  
174 information submitted by an applicant is in a form acceptable to  
175 him. The State Fire Marshal shall verify or have another entity  
176 verify information submitted by each applicant.

177 (j) The name of each company providing monitoring  
178 services.

179 **SECTION 5.** (1) If the State Fire Marshal finds that a  
180 company has met the requirements of licensing, he shall issue a  
181 Class A license to engage in alarm contracting to that company  
182 upon payment of the license fee authorized by this act. Such  
183 license shall include the name of the designated agent of the  
184 alarm contracting company as applicable.

185 (2) Each alarm contracting company shall be physically  
186 located within the boundaries of the state and shall clearly  
187 display its license in a conspicuous location at its place of  
188 business.

189 (3) Each alarm contracting company shall employ a Class B  
190 license holder.

191 (4) The designated agent of an alarm contracting company  
192 shall notify the State Fire Marshal within ten (10) days of the  
193 following:

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

195 (b) (i) Any change in ownership of or interest in the  
196 company.

197 (ii) Any owner, partner or other principal with an  
198 interest in the company, which has been convicted of a felony or  
199 entered a plea of guilty or nolo contendere to a felony charge or  
200 received a first-time offender pardon. A felony that has been  
201 dismissed pursuant to the Mississippi Criminal Code or equivalent  
202 judicial dismissal shall not apply to this paragraph.

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

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

213 (v) The Office of the State Fire Marshal may  
214 consider the seriousness and circumstances of the offense and  
215 subsequent arrests.

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

218 (d) A change of the company providing monitoring  
219 services.

220 (5) In the event of the death of its designated agent or his  
221 separation from the company for any other reason, an alarm  
222 contracting company, shall name another owner or manager as its  
223 designated agent within ninety (90) days and shall notify the  
224 State Fire Marshal of such designation within ten (10) days.

225 (6) Each alarm contracting company doing business in the  
226 state shall be open for inspection by the State Fire Marshal or

227 his designated representative at any reasonable time for the  
228 purpose of observation and collection of facts and data relating  
229 to proper enforcement of this act. No person acting on behalf of  
230 an alarm contracting company shall refuse to admit the State Fire  
231 Marshal or his designated representative to an operating location.

232 **SECTION 6.** (1) Any person employed by an alarm contracting  
233 company shall hold an individual license issued by the State Fire  
234 Marshal. Such a license shall authorize its holder to engage in  
235 alarm contracting or closed circuit television alarm system  
236 contracting, only to the extent of the terms as further provided  
237 in this act.

238 (2) Any person desiring to engage in alarm contracting or  
239 closed circuit television alarm system contracting shall hold a  
240 Class B license issued by the State Fire Marshal. Such  
241 application shall be accompanied by:

242 (a) Two (2) suitable photographs of the applicant  
243 acceptable to the State Fire Marshal. The State Fire Marshal  
244 shall keep one (1) photograph on file and shall make the other  
245 photograph a part of any license subsequently issued to the  
246 applicant.

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

250 (i) For a Class B license: a minimum of National  
251 Burglar and Fire Alarm Association, Level 2 A&B Burglar Alarm  
252 training course or equivalent training approved by the State Fire  
253 Marshal, and documentation proving residency within a radius of  
254 one hundred fifty (150) miles of the office to which he is  
255 assigned.

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



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

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

269                   (c) (i) A statement by the applicant that he has not  
270 been convicted of a felony, received a first-time offender pardon  
271 for a felony, or entered a plea of guilty or nolo contendere to a  
272 felony charge. A felony that has been dismissed pursuant to the  
273 Mississippi Criminal Code or equivalent judicial dismissal shall  
274 not apply to this paragraph.

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

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

285                   (d) A statement authorizing the State Fire Marshal to  
286 order fingerprint analysis or any other analysis or documents  
287 deemed necessary by the State Fire Marshal for the purpose of  
288 verifying the applicant's criminal history. The State Fire  
289 Marshal shall have the authority to conduct criminal history  
290 verification on a local, state or national level.

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

292 (3) The State Fire Marshal shall have the authority to  
293 determine if information submitted by an applicant is in a form  
294 acceptable to him. The State Fire Marshal shall verify or have  
295 another entity verify information submitted by each applicant.

296 (4) If the State Fire Marshal finds that an applicant has  
297 met the applicable requirements of the alarm licensing law, he  
298 shall issue the appropriate type of license to the applicant upon  
299 payment of the license fee authorized by this act.

300 (5) Each individual license holder shall maintain his  
301 license on his person while engaging in any type of alarm  
302 contracting or closed circuit television alarm system contracting  
303 as applicable. Each such license holder shall present his license  
304 for inspection upon demand by an employee of the Office of the  
305 State Fire Marshal or a law enforcement officer.

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

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

310 (b) Any separation from an employer or change in  
311 employer.

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

315 (7) No individual licensed under this act shall contract for  
316 his services as an independent contractor or agent without  
317 applying for and being issued a Class B license under this act.  
318 No alarm contracting company or closed circuit television alarm  
319 system contracting company shall contract for the independent  
320 services of a holder of an individual license under this section.

321 (8) The State Fire Marshal may enter into reciprocal  
322 agreements with other states for mutual recognition of individual  
323 license holders, if the State Fire Marshal has established the

324 criteria for acceptance of reciprocal agreements by rule or  
325 regulation.

326 (9) Any person engaged in alarm contracting or closed  
327 circuit television alarm system contracting, on or before July 1,  
328 2006, shall automatically be issued a license without having to  
329 show documentation that the applicant meets the educational  
330 requirements applicable to the type of license for which he is  
331 applying.

332 **SECTION 7.** The State Fire Marshal is authorized to issue  
333 individual licenses to qualified applicants that entitles the  
334 license holder to perform the following:

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

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

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

349 (d) Class T license: Alarm Apprentice. Such license  
350 shall authorize its holder to design, plan, specify, lay out,  
351 sell, pre-wire, install, maintain, repair, test, inspect or  
352 service an electronic protective system while in the employ of an  
353 alarm contracting company while under the supervision of a Class  
354 B, Class C or Class D license holder in the same employ of an  
355 alarm contracting company. A Class T license shall be valid only

356 for a period of twelve (12) months from the date of issue and  
357 shall not be renewed.

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

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

367 (b) The installation of wire, conduit or other wire  
368 raceways, its associated boxes or fittings, or single or multiple  
369 station smoke detectors by an entity legally authorized to install  
370 commercial light and power service in this state or employees of  
371 such an entity.

372 (c) Any owner, management company or public institution  
373 and such person's or entity's employees while such person or  
374 entity is designing, installing, inspecting, repairing, servicing,  
375 recoding, adjusting or testing closed circuit television alarm  
376 systems, on the premises of the owner or public institution during  
377 the normal course and scope of his duties.

378 (d) Any owner, management company or public institution  
379 and such person's or entity's employees while such person or  
380 entity is designing, installing, inspecting, repairing, servicing  
381 or testing a burglar alarm system only on the premises of the  
382 owner or public institution during the normal course and scope of  
383 his duties.

384 (e) Any retailer that sells alarm systems as part of a  
385 multiproduct offering and provides installation as part of that  
386 retail transaction.

387 (f) Any retailer or installer of household fire warning  
388 systems sold and installed to detect or warn of smoke or fire and

389 intended for use in a residential one- or two-family dwelling or  
390 wholly within the confines of an individual living unit in a  
391 residential multifamily structure.

392 (g) Installers of electronic protective systems,  
393 burglar alarm systems, fire alarm systems or closed circuit  
394 television alarm systems used in residential, one- or two-family  
395 dwelling or wholly within the confines of an individual living  
396 unit in a residential multifamily structure, when the installer is  
397 working as a designated agent for any exempt retailer.

398 (2) No person or company shall aid, abet, facilitate or  
399 otherwise assist any unlicensed person or company in engaging in  
400 alarm contracting or closed circuit television alarm system  
401 contracting, including, but not limited to, the sale of an  
402 electronic protective system as defined in this act when such  
403 person or company knew or should have known that the person or  
404 company thus assisted was unlicensed.

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

409 (a) An officer or employee of the United States, this  
410 state, or any political subdivision of either, while engaged in  
411 the performance of his official duties within the course and scope  
412 of his employment with the United States, this state, or any  
413 political subdivision of either.

414 (b) Any company or natural person licensed to perform  
415 electrical work by the State Licensing Board of Contractors. This  
416 exception from licensure shall also apply to the employees of a  
417 company or natural person excepted by this paragraph, but only as  
418 to work performed by them on behalf of the excepted employer.  
419 Notwithstanding any other provision of this act, no person  
420 licensed under this act may install primary power sources of one

421 hundred (100) volts or greater when such power source is being  
422 installed to operate low-voltage systems.

423       **SECTION 9.** (1) (a) Each license issued pursuant to this  
424 act shall be valid for a period of one (1) year from its date of  
425 issuance and shall be renewed annually, on or before the  
426 anniversary date, by forwarding to the State Fire Marshal a  
427 renewal application accompanied by the payment of the renewal fee  
428 authorized by this act.

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

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

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

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

441               (b) Provisional or original company Class A  
442 license..... \$350.00.

443               (c) Provisional or original individual Class B,  
444 Class C or Class D license..... \$ 50.00.

445               (d) Provisional or original individual Class T  
446 license..... \$ 25.00.

447               (e) Annual renewal for Class B, Class C or Class D  
448 license fee..... \$ 50.00.

449               (f) Annual renewal for a Class A license  
450 fee..... \$200.00.

451               (g) Fee for a duplicate or replacement  
452 license..... \$ 20.00.

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

456 (3) All monies received by the State Fire Marshal pursuant  
457 to this act, including, but not limited to, fees and fines, shall  
458 be deposited immediately upon receipt by the State Fire Marshal  
459 into a special fund which is hereby created in the State Treasury  
460 and designated as the Residential Electronic Protection Licensing  
461 Fund.

462 (4) The monies in the Residential Electronic Protection  
463 Licensing Fund shall be used solely for implementation,  
464 administration and enforcement of this act and only in the amounts  
465 appropriated each year to the State Fire Marshal by the  
466 Legislature. Any surplus monies and interest remaining to the  
467 credit of the fund at the end of the fiscal year shall remain to  
468 the credit of the fund, and no part thereof shall revert to the  
469 State General Fund.

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

474 (a) Three (3) members shall be appointed by the  
475 Governor, one (1) member from each State Supreme Court District.  
476 Each member shall possess a valid Class A or Class B license and  
477 may be appointed from a list submitted by the Mississippi Alarm  
478 Association. Each of these appointments initially will have  
479 staggered terms. One (1) appointment will serve for two (2)  
480 years, one (1) appointment will serve for three (3) years, and the  
481 last appointment will serve for four (4) years. After the initial  
482 appointment terms, each appointee will serve for four (4) years.

483 (b) One (1) member shall be appointed by the State Fire  
484 Marshal from a list of nominees submitted to the State Fire  
485 Marshal by the Mississippi Alarm Association as a representative

486 from the Alarm Manufacturing Industry. This appointment will  
487 serve for four (4) years.

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

493 (d) One (1) member shall be an employee of the Office  
494 of the State Fire Marshal designated by the State Fire Marshal.  
495 Such member shall serve as the chairman of the advisory board.

496 (2) (a) Each appointed member shall serve a term of four  
497 (4) years.

498 (b) The member designated by the State Fire Marshal  
499 shall serve a term concurrent with the term of the State Fire  
500 Marshal making such designation.

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

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

506 (3) The board shall meet at every quarter, or upon the call  
507 of the chairman or upon the written request of any three (3)  
508 members of the board. Notice of any such meeting shall be given  
509 to board members and the public at least fourteen (14) days in  
510 advance.

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

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



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

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

522                   (a) Signature of or submission of any document to the  
523 State Fire Marshal when the applicant or licensee reasonably  
524 should have known that the document contained false or misleading  
525 information.

526                   (b) Failure of an alarm contracting company or closed  
527 circuit television company to timely notify the State Fire Marshal  
528 of certain changes in the status of the licensee as required by  
529 this licensing law.

530                   (c) Failure of an alarm contracting company or closed  
531 circuit television alarm system contracting company as applicable,  
532 to do either of the following:

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

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

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

541                   (e) Assisting an unlicensed person or company to engage  
542 in alarm contracting or closed circuit television alarm system  
543 contracting as prohibited.

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

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

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

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

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

552 (a) The knowing and willful signature of or submission  
553 of any document to the State Fire Marshal when the applicant or  
554 licensee knew that document contained false or intentionally  
555 misleading information.

556 (b) Engaging in alarm contracting or closed circuit  
557 television alarm system contracting without a license as  
558 prohibited.

559 (c) Engaging in alarm contracting or closed circuit  
560 television alarm system contracting during suspension of one's  
561 license.

562 (d) The repeated, flagrant and willful commission of  
563 Class I offenses.

564 (e) Failure by an alarm contracting company to maintain  
565 a general liability and errors and omissions insurance policy as  
566 required, or to maintain a workers' compensation insurance policy  
567 as required by state law.

568 (f) Engaging in false, misleading or deceptive acts or  
569 practices.

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

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

578 (a) Written reprimand by the State Fire Marshal. Such  
579 reprimand shall be a part of the record of the licensee and shall  
580 be maintained by the State Fire Marshal for a period of three (3)  
581 years. During such time, the reprimand may be given consideration  
582 in taking any subsequent disciplinary action against that  
583 licensee.

584           (b) Probation of licensure for not more than twelve  
585 (12) months. Such probation may include placement of restrictions  
586 on the alarm contracting or closed circuit television alarm system  
587 contracting activities and the license of the offender. Any  
588 subsequent offense committed during probation will make the  
589 offender subject to penalties for a Class II offense.

590           (c) A fine of not more than Five Hundred Dollars  
591 (\$500.00).

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

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

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

597           (c) A fine of not more than One Thousand Dollars  
598 (\$1,000.00).

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

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

602           (b) Revocation of licensure.

603           (c) A fine of not more than Five Thousand Dollars  
604 (\$5,000.00).

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

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

611           (2) This act shall supersede any existing county or  
612 municipal ordinance, rule or regulation requiring certification or  
613 licensure of companies and persons engaged in alarm contracting,  
614 and such ordinances, rules and regulations shall be null, void and  
615 of no effect.

616 (3) Additionally, this act shall supersede any existing  
617 county or municipal ordinance, rule or regulation requiring  
618 certification or licensure of companies and persons engaged in  
619 closed circuit television alarm system contracting and such  
620 ordinances, rules and regulations shall be null, void and of no  
621 effect.

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

627 (2) In the suit for an injunction, the State Fire Marshal  
628 may demand of the defendant a penalty of Fifty Dollars (\$50.00)  
629 per day for each violation, reasonable attorney fees and court  
630 costs. Judgment for penalty, attorney fees and court costs may be  
631 rendered in the same judgment in which the injunction is made  
632 absolute.

633 **SECTION 16.** (1) Each alarm contracting company engaged in  
634 alarm contracting who sells an electronic protective system to a  
635 consumer shall immediately return the lockout, installer or  
636 programming code of the electronic protective system to the  
637 factory default setting when the consumer cancels the contract  
638 with the alarm company and contracts with another alarm company  
639 provided all original contractual obligations are fulfilled.

640 (2) In addition to the penalties provided in this act, any  
641 alarm contracting company who violates this section shall have its  
642 license revoked and be subject to a civil fine by the State Fire  
643 Marshal of not less than Five Hundred Dollars (\$500.00) nor more  
644 than Two Thousand Dollars (\$2,000.00).

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