

By: Senator(s) Mettetal, Dearing

To: Business and Financial
InstitutionsSENATE BILL NO. 2742
(As Sent to Governor)

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/SIA 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 employee 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.

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

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

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

on behalf of an alarm contracting company or a closed circuit television alarm system contracting company.

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

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

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

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

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

of alarm contracting. An applicant for a Class A license shall submit the following to the State Fire Marshal:

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

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

(c) Documentation that the company carries a current and valid workers' compensation insurance policy as required by state law.

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

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

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

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

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

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

(g) The application fee authorized by this act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(6) Each alarm contracting company doing business in the state shall be open for inspection by the State Fire Marshal or his designated representative at any reasonable time for the purpose of observation and collection of facts and data relating to proper enforcement of this act. No person acting on behalf of

an alarm contracting company shall refuse to admit the State Fire Marshal or his designated representative to an operating location.

(7) Client records must be maintained for inspection by the State Fire Marshal for a three-year period.

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

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

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

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

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

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

(iii) For a Class D license: a minimum of National Burglar and Fire Alarm Association, Sales Understanding

Alarms training course, or equivalent training approved by the State Fire Marshal, or a minimum of two (2) years of design and sales experience in the alarm industry attested to in a notarized affidavit and payroll records provided by the applicant.

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

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

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

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

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

(e) The application fee authorized by this subsection.

(3) The State Fire Marshal shall have the authority to determine if information submitted by an applicant is in a form

acceptable to him. The State Fire Marshal shall verify or have another entity verify information submitted by each applicant.

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

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

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

(a) Any change in business or home address.

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

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

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

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

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

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

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

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

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

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

SECTION 8.

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

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

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

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

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

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

(f) Any retailer or installer of household fire warning systems sold and installed to detect or warn of smoke or fire and intended for use in a residential one- or two-family dwelling or

wholly within the confines of an individual living unit in a residential multifamily structure.

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

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

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

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

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

licensee knew that document contained false or intentionally misleading information.

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

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

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

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

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

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

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

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

(b) Probation of licensure for not more than twelve (12) months. Such probation may include placement of restrictions on the alarm contracting or closed circuit television alarm system

contracting activities and the license of the offender. Any subsequent offense committed during probation will make the offender subject to penalties for a Class II offense.

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

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

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

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

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

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

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

(b) Revocation of licensure.

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

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

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

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

(3) Additionally, this act shall supersede any existing county or municipal ordinance, rule or regulation requiring certification or licensure of companies and persons engaged in 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.