

HOUSE BILL 1271

C2

7lr1417
CF SB 952

By: **Delegate Branch**

Introduced and read first time: February 10, 2017

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation – Security Systems – Permitting and Registration**

3 FOR the purpose of specifying the scope and construction of certain provisions of law;
4 requiring the Department of State Police to develop a uniform basic permit for use
5 in connection with a low-voltage security system project and to make the uniform
6 basic permit available to certain local governments; specifying the terms for use of a
7 uniform basic permit; requiring a local government to take certain actions regarding
8 a certain uniform basic permit; prohibiting a local government from taking certain
9 actions against a certain contractor relating to a certain uniform basic permit;
10 prohibiting a local government from charging more than a certain fee for a uniform
11 basic permit; requiring a contractor to take certain actions relating to a certain
12 uniform basic permit; requiring a local government that requires a uniform basic
13 permit to develop and make available to a contractor a Uniform Notice of
14 Low-Voltage Security System Project; specifying the contents of the Uniform Notice
15 of Low-Voltage Security System Project; requiring a contractor to submit a Uniform
16 Notice of Low-Voltage Security System Project to a local government within a
17 certain amount of time after a certain date; authorizing a local government to
18 coordinate directly with an owner, a customer, a tenant, or an authorized
19 representative to provide for the inspection of a certain low-voltage security system
20 project; requiring a contractor to take corrective action if a low-voltage security
21 system project fails a certain inspection; prohibiting a local government from
22 adopting or enforcing certain local laws or ordinances; prohibiting a local government
23 from taking certain actions relating to a wireless security system; authorizing a local
24 government to require certain individuals to register a security system with the local
25 government; requiring a contractor or a security system monitoring agency to take
26 certain actions to provide certain notice if a local government requires registration;
27 requiring a certain contractor to provide a certain notice; requiring a certain
28 individual, under certain circumstances, to register a security system with the
29 applicable local government within a certain period of time; prohibiting a local
30 government from taking certain actions relating to registration of certain security
31 systems; authorizing a local government to assess or impose a certain penalty or fine

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 against a contractor for failing to take certain actions; prohibiting a local government
2 from assessing or imposing a certain civil penalty or fine against a certain contractor
3 or security system monitoring agency under certain circumstances; defining certain
4 terms; and generally relating to security systems.

5 BY repealing and reenacting, without amendments,
6 Article – Business Occupations and Professions
7 Section 18–101 and 18–102
8 Annotated Code of Maryland
9 (2010 Replacement Volume and 2016 Supplement)

10 BY adding to
11 Article – Business Regulation
12 Section 19–901 through 19–905 to be under the new subtitle “Subtitle 9. Security
13 Systems”
14 Annotated Code of Maryland
15 (2015 Replacement Volume and 2016 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
17 That the Laws of Maryland read as follows:

18 **Article – Business Occupations and Professions**

19 18–101.

20 (a) In this title the following words have the meanings indicated.

21 (b) (1) “Circumventional information” means information, including pass
22 codes, that allows an individual to alter the operation of a security system.

23 (2) “Circumventional information” does not include generic user or
24 installation manuals.

25 (c) “Firm” means a partnership or corporation.

26 (d) “Firm member” means a partner of a partnership or an officer or director of a
27 corporation.

28 (e) “License” means a license issued by the Secretary or the Secretary’s designee
29 to engage in the business of providing security systems services for compensation.

30 (f) “Providing security systems services” means providing, on the premises of a
31 person’s residential or commercial property, the service of:

32 (1) surveying the property for purposes of installing a security system;

1 (2) physically installing, maintaining, or repairing a security system for
2 the customer; or

3 (3) responding to a distress call or an alarm sounding from a security
4 system.

5 (g) “Representative member” means a firm member who is appointed under this
6 title to act on behalf of the firm.

7 (h) “Secretary” means the Secretary of State Police or the Secretary’s designee.

8 (i) “Security systems agency” means an individual or a firm that conducts a
9 business that provides security systems services.

10 (j) “Security systems technician” means a person who personally provides
11 security systems services.

12 18–102.

13 (a) This title does not apply to an officer or employee of any unit of the United
14 States, of any state, or of any county, municipal corporation, or other political subdivision
15 of any state, while performing a duty of the office or employment.

16 (b) (1) This title does not supersede any local law or ordinance in the State
17 that establishes standards or qualifications for electricians or for electrical work involved
18 in the installation of security systems or security alarms.

19 (2) This title does not authorize an individual to perform electrical work
20 that otherwise requires an electrician’s license under any State or local law or ordinance.

21 (3) Except as provided in paragraph (4) of this subsection, this title
22 supersedes any local law or ordinance in the State that requires registration, training,
23 bonding, or insurance for security systems technicians or other individuals who have access
24 to circumventational information.

25 (4) This title does not preempt local governments from licensing or
26 regulating security system agencies or security system users.

27 (c) (1) The licensing requirements of this title do not apply to a master
28 electrician who:

29 (i) currently is licensed in that occupation under State or local law;
30 and

31 (ii) is acting only within the scope of that occupation.

32 (2) A master electrician may not:

1 (i) personally provide security systems services unless the master
2 electrician is registered as a security systems technician; or

3 (ii) obtain access to circumventational information unless the master
4 electrician is registered as an individual with access to circumventational information.

5 (d) This title does not apply to a person who sells security systems at a retail
6 establishment or by means of a catalog or brochure for future delivery, provided that the
7 person does not:

8 (1) enter the premises of the customer's property; or

9 (2) have access to circumventational information.

10 (e) This title does not apply to a commercial property owner or its authorized
11 agent performing the routine operation, including the changing of the passcodes, of a
12 security system that protects the premises of the owner's commercial property.

13 (f) This title may not be construed to require:

14 (1) a person engaged in the business of providing security systems services
15 for compensation to obtain more than one license under this title to provide security
16 systems services;

17 (2) a security systems technician, in addition to being registered under this
18 title, to obtain a license under this title, if the security systems technician is employed by
19 or under contract with a security systems agency; or

20 (3) an individual who is licensed under this title to be registered under
21 Subtitle 3A of this title.

22 Article – Business Regulation

23 SUBTITLE 9. SECURITY SYSTEMS.

24 19–901.

25 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
26 INDICATED.

27 (B) “CONTRACTOR” MEANS AN INDIVIDUAL THAT PROVIDES OR A FIRM
28 THROUGH WHICH ONE OR MORE INDIVIDUALS PROVIDE SECURITY SYSTEMS
29 SERVICES AS DEFINED IN § 18–101 OF THE BUSINESS OCCUPATIONS AND
30 PROFESSIONS ARTICLE.

1 (C) "LOW-VOLTAGE SECURITY SYSTEM PROJECT" MEANS A PROJECT
2 RELATED TO THE INSTALLATION, MAINTENANCE, INSPECTION, REPLACEMENT, OR
3 SERVICE OF A NEW OR EXISTING SECURITY ALARM, ELECTRONIC SECURITY SYSTEM,
4 OR FIRE ALARM, AND ANY ANCILLARY COMPONENTS OR EQUIPMENT CONNECTED TO
5 THE SECURITY SYSTEM OR FIRE ALARM, THAT:

6 (1) IS HARDWIRED; AND

7 (2) OPERATES AT A LOW VOLTAGE, AS DEFINED IN THE CURRENT
8 EDITION OF THE NATIONAL FIRE PROTECTION ASSOCIATION 70: NATIONAL
9 ELECTRICAL CODE.

10 (D) "SECURITY SYSTEM" INCLUDES:

11 (1) A LOW-VOLTAGE SECURITY SYSTEM PROJECT;

12 (2) A HIGHER VOLTAGE, HARDWIRED SECURITY SYSTEM; AND

13 (3) A WIRELESS SECURITY SYSTEM.

14 (E) "SECURITY SYSTEM MONITORING AGENCY" MEANS AN INDIVIDUAL OR
15 FIRM THAT MONITORS A SECURITY SYSTEM.

16 (F) "UNIFORM BASIC PERMIT" MEANS A SINGLE-USE LABEL THAT A
17 CONTRACTOR PURCHASES FROM A LOCAL GOVERNMENT TO POST ON THE PREMISES
18 OF A LOW-VOLTAGE SECURITY SYSTEM PROJECT WHILE WORK IS BEING
19 PERFORMED.

20 (G) "UNIFORM NOTICE OF LOW-VOLTAGE SECURITY SYSTEM PROJECT"
21 MEANS A NOTICE SUBMITTED TO A LOCAL GOVERNMENT WITHIN 14 DAYS AFTER THE
22 DATE OF COMPLETION OF A LOW-VOLTAGE SECURITY SYSTEM PROJECT.

23 (H) "WIRELESS SECURITY SYSTEM" MEANS A SECURITY SYSTEM OR SMOKE
24 DETECTOR THAT IS NOT HARDWIRED AND ANY ANCILLARY COMPONENTS OR
25 EQUIPMENT CONNECTED TO THE SECURITY SYSTEM OR SMOKE DETECTOR.

26 19-902.

27 (A) (1) THIS SECTION APPLIES TO A LOW-VOLTAGE SECURITY SYSTEM
28 PROJECT FOR WHICH A LOCAL GOVERNMENT REQUIRES A PERMIT FOR
29 INSTALLATION.

30 (2) THIS SECTION DOES NOT APPLY TO:

1 (I) A HIGHER VOLTAGE, HARDWIRED SECURITY SYSTEM; OR

2 (II) A WIRELESS SECURITY SYSTEM.

3 (3) THIS SECTION MAY NOT BE CONSTRUED TO:

4 (I) ALTER LICENSING REQUIREMENTS UNDER:

5 1. TITLE 18 OF THE BUSINESS OCCUPATIONS AND
6 PROFESSIONS ARTICLE; OR

7 2. LOCAL LAW; OR

8 (II) IMPOSE NEW LICENSING REQUIREMENTS.

9 (B) (1) THE DEPARTMENT OF STATE POLICE SHALL:

10 (I) DEVELOP A UNIFORM BASIC PERMIT; AND

11 (II) MAKE THE UNIFORM BASIC PERMIT AVAILABLE TO LOCAL
12 GOVERNMENTS THAT REQUIRE A PERMIT FOR THE INSTALLATION OR
13 REPLACEMENT OF A LOW-VOLTAGE SECURITY SYSTEM PROJECT.

14 (2) A UNIFORM BASIC PERMIT:

15 (I) IS VALID FOR 1 YEAR AFTER THE DATE OF PURCHASE;

16 (II) MAY BE USED ONLY IN THE JURISDICTION OF THE LOCAL
17 GOVERNMENT THAT ISSUED THE UNIFORM BASIC PERMIT; AND

18 (III) MAY NOT BE REQUIRED FOR MAINTENANCE, INSPECTION,
19 OR SERVICE OF A LOW-VOLTAGE SECURITY SYSTEM PROJECT FOR WHICH THE
20 LOCAL GOVERNMENT RECEIVED A UNIFORM NOTICE OF LOW-VOLTAGE SECURITY
21 SYSTEM PROJECT.

22 (3) A LOCAL GOVERNMENT THAT REQUIRES A PERMIT FOR A
23 LOW-VOLTAGE SECURITY SYSTEM PROJECT SHALL:

24 (I) MAKE UNIFORM BASIC PERMITS AVAILABLE TO
25 CONTRACTORS FOR PURCHASE; AND

1 **(II) ALLOW CONTRACTORS TO PURCHASE UNIFORM BASIC**
2 **PERMITS INDIVIDUALLY OR IN BULK FOR ONE OR MORE UNSPECIFIED CURRENT OR**
3 **FUTURE LOW-VOLTAGE SECURITY SYSTEM PROJECTS.**

4 **(4) A LOCAL GOVERNMENT MAY NOT REQUIRE A CONTRACTOR TO:**

5 **(I) AS A CONDITION OF PURCHASING A UNIFORM BASIC**
6 **PERMIT, SUBMIT ANY INFORMATION OTHER THAN IDENTIFICATION OF THE**
7 **LICENSEE AND PROOF OF REGISTRATION REQUIRED UNDER TITLE 18 OF THE**
8 **BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE OR CERTIFICATION AS A**
9 **CONTRACTOR;**

10 **(II) NOTIFY THE LOCAL GOVERNMENT BEFORE COMMENCING**
11 **WORK ON A LOW-VOLTAGE SECURITY SYSTEM PROJECT; OR**

12 **(III) OBTAIN A UNIFORM BASIC PERMIT FOR MAINTENANCE,**
13 **INSPECTION, OR SERVICE OF A LOW-VOLTAGE SECURITY SYSTEM PROJECT FOR**
14 **WHICH THE LOCAL GOVERNMENT HAS RECEIVED A UNIFORM NOTICE OF**
15 **LOW-VOLTAGE SECURITY SYSTEM PROJECT.**

16 **(5) A LOCAL GOVERNMENT MAY NOT CHARGE MORE THAN \$40 PER**
17 **UNIFORM BASIC PERMIT.**

18 **(6) A CONTRACTOR SHALL POST A UNIFORM BASIC PERMIT IN A**
19 **CONSPICUOUS PLACE THAT IS VISIBLE FROM THE EXTERIOR OF THE PREMISES OF A**
20 **LOW-VOLTAGE SECURITY SYSTEM PROJECT:**

21 **(I) BEFORE WORK BEGINS; AND**

22 **(II) WHILE WORK IS BEING PERFORMED.**

23 **(C) (1) A LOCAL GOVERNMENT THAT REQUIRES A UNIFORM BASIC**
24 **PERMIT FOR A LOW-VOLTAGE SECURITY SYSTEM PROJECT SHALL:**

25 **(I) DEVELOP A UNIFORM NOTICE OF LOW-VOLTAGE**
26 **SECURITY SYSTEM PROJECT; AND**

27 **(II) MAKE THE UNIFORM NOTICE OF LOW-VOLTAGE SECURITY**
28 **SYSTEM PROJECT AVAILABLE TO A CONTRACTOR AT THE TIME A CONTRACTOR**
29 **PURCHASES ONE OR MORE UNIFORM BASIC PERMITS.**

30 **(2) A UNIFORM NOTICE OF LOW-VOLTAGE SECURITY SYSTEM**
31 **PROJECT SHALL CONTAIN THE FOLLOWING INFORMATION:**

1 **(I) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE**
2 **OWNER, CUSTOMER, TENANT, OR AUTHORIZED REPRESENTATIVE OF THE**
3 **PROPERTY;**

4 **(II) THE E-MAIL ADDRESS OF THE OWNER, CUSTOMER, TENANT,**
5 **OR AUTHORIZED REPRESENTATIVE OF THE PROPERTY, IF APPLICABLE;**

6 **(III) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE**
7 **CONTRACTOR;**

8 **(IV) THE LICENSE NUMBER OF THE CONTRACTOR, IF**
9 **APPLICABLE;**

10 **(V) THE DATE OF PROJECT COMPLETION;**

11 **(VI) THE SCOPE OF WORK;**

12 **(VII) AN ATTESTATION THAT STATES: "NOTICE IS HEREBY GIVEN**
13 **THAT A LOW-VOLTAGE SECURITY SYSTEM PROJECT HAS BEEN COMPLETED AT THE**
14 **ADDRESS OF THE OWNER, CUSTOMER, TENANT, OR AUTHORIZED REPRESENTATIVE**
15 **OF THE PROPERTY. I CERTIFY THAT ALL OF THE FOREGOING INFORMATION IS TRUE**
16 **AND ACCURATE.";** AND

17 **(VIII) THE SIGNATURES OF THE OWNER, CUSTOMER, TENANT, OR**
18 **AUTHORIZED REPRESENTATIVE AND THE CONTRACTOR.**

19 **(3) A CONTRACTOR SHALL SUBMIT A UNIFORM NOTICE OF**
20 **LOW-VOLTAGE SECURITY SYSTEM PROJECT TO THE LOCAL GOVERNMENT THAT**
21 **ISSUED THE UNIFORM BASIC PERMIT WITHIN 14 DAYS AFTER THE DATE THE**
22 **LOW-VOLTAGE SECURITY SYSTEM PROJECT WAS COMPLETED.**

23 **(D) (1) A LOCAL GOVERNMENT MAY COORDINATE DIRECTLY WITH AN**
24 **OWNER, A CUSTOMER, A TENANT, OR AN AUTHORIZED REPRESENTATIVE OF THE**
25 **PROPERTY TO PROVIDE FOR THE INSPECTION OF A LOW-VOLTAGE SECURITY**
26 **SYSTEM PROJECT TO ENSURE COMPLIANCE WITH APPLICABLE CODES AND**
27 **STANDARDS.**

28 **(2) IF A LOW-VOLTAGE SECURITY SYSTEM PROJECT FAILS AN**
29 **INSPECTION, A CONTRACTOR SHALL TAKE CORRECTIVE ACTION AS NECESSARY TO**
30 **PASS INSPECTION AT NO COST TO THE OWNER, CUSTOMER, TENANT, OR**
31 **AUTHORIZED REPRESENTATIVE OF THE PROPERTY.**

1 **(E) A LOCAL GOVERNMENT MAY NOT ADOPT OR ENFORCE ANY LOCAL LAW**
2 **OR ORDINANCE THAT IS INCONSISTENT WITH THIS SECTION REGARDING THE**
3 **PERMITTING OF A LOW-VOLTAGE SECURITY SYSTEM PROJECT.**

4 **19-903.**

5 **FOR A WIRELESS SECURITY SYSTEM, A LOCAL GOVERNMENT MAY NOT:**

6 **(1) REQUIRE A UNIFORM BASIC PERMIT UNDER § 19-902 OF THIS**
7 **SUBTITLE;**

8 **(2) ENFORCE A LOCAL LAW OR ORDINANCE REQUIRING A PERMIT; OR**

9 **(3) CHARGE A FEE FOR A CONTRACTOR TO INSTALL, MAINTAIN,**
10 **INSPECT, REPLACE, OR SERVICE THE WIRELESS SECURITY SYSTEM.**

11 **19-904.**

12 **(A) (1) A LOCAL GOVERNMENT MAY REQUIRE REGISTRATION OF A**
13 **SECURITY SYSTEM WITH THE LOCAL GOVERNMENT.**

14 **(2) IF A LOCAL GOVERNMENT REQUIRES REGISTRATION OF A**
15 **SECURITY SYSTEM, BEFORE ACTIVATING OR REACTIVATING A SECURITY SYSTEM, A**
16 **CONTRACTOR OR A SECURITY SYSTEM MONITORING AGENCY SHALL PROVIDE**
17 **NOTICE OF THIS REQUIREMENT TO AN OWNER OR A TENANT:**

18 **(I) IN WRITING, INCLUDING BY E-MAIL, IF THE WORK IS**
19 **PERFORMED ON SITE; OR**

20 **(II) ORALLY, IF THE WORK IS PERFORMED REMOTELY.**

21 **(3) THE OWNER OR CUSTOMER OF A PROPERTY THAT HAS INSTALLED**
22 **A SECURITY SYSTEM SHALL REGISTER THE SECURITY SYSTEM WITH THE**
23 **APPROPRIATE LOCAL GOVERNMENT THAT REQUIRES REGISTRATION UNDER**
24 **PARAGRAPH (1) OF THIS SUBSECTION WITHIN 30 DAYS OF THE DATE OF ACTIVATION**
25 **OF THE SECURITY SYSTEM.**

26 **(B) A LOCAL GOVERNMENT MAY NOT:**

27 **(1) REQUIRE A CONTRACTOR OR A SECURITY SYSTEM MONITORING**
28 **AGENCY TO REGISTER A SECURITY SYSTEM; OR**

1 **(2) ADOPT OR ENFORCE ANY LOCAL LAW OR ORDINANCE THAT IS**
2 **INCONSISTENT WITH THIS SECTION REGARDING THE REGISTRATION OF A SECURITY**
3 **SYSTEM.**

4 **19-905.**

5 **(A) A LOCAL GOVERNMENT MAY ASSESS OR IMPOSE A CIVIL PENALTY OR**
6 **FINE AGAINST A CONTRACTOR WHO FAILS TO:**

7 **(1) COMPLY WITH POSTING REQUIREMENTS FOR A UNIFORM BASIC**
8 **PERMIT UNDER § 19-902(B)(6) OF THIS SUBTITLE; OR**

9 **(2) SUBMIT A UNIFORM NOTICE OF LOW-VOLTAGE SECURITY**
10 **SYSTEM PROJECT TO THE LOCAL GOVERNMENT UNDER § 19-902(C) OF THIS**
11 **SUBTITLE.**

12 **(B) A LOCAL GOVERNMENT MAY NOT ASSESS OR IMPOSE A CIVIL PENALTY**
13 **OR FINE ON A CONTRACTOR OR A SECURITY SYSTEM MONITORING AGENCY FOR:**

14 **(1) FAILING TO NOTIFY AN OWNER OR A CUSTOMER OF A**
15 **REQUIREMENT TO REGISTER A SECURITY SYSTEM;**

16 **(2) REQUESTING DISPATCH TO AN UNREGISTERED USER; OR**

17 **(3) EXCESSIVE FALSE ALARMS NOT ATTRIBUTED TO ERROR OR**
18 **IMPROPER INSTALLATION BY THE CONTRACTOR OR SECURITY SYSTEM MONITORING**
19 **AGENCY.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2017.