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**ADT Security Services' Testimony
Before the Senate Education, Energy, and the Environment Committee
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Chairman Feldman and members of the Committee, thank you for this opportunity to speak with you today. My name is Holly Borgmann, and I am the Vice President of Government Affairs for ADT Security Services.

With nearly 150 years of industry experience, ADT is the leading provider of residential and small business security services in the United States. In fact, this summer, ADT will celebrate the 150th anniversary of its founding in Baltimore. Since our founding, we have earned the trust of over six million families and small business customers in North America. On behalf of our more than 19,000 employees who help save lives for a living, I would like to thank you for this opportunity to offer our strong support for Senate Bill 713.

The security industry continues to grow in Maryland and around the country, with tremendous opportunities for professional growth. While ADT is the largest electronic security company in the country with approximately 30% of the market, the vast majority of the industry is comprised of small, mom and pop-style businesses that compete fiercely for talent. According to a study recently released by the Security Industry Association, nearly 75% of security companies polled said that Installer and Technician roles were the most difficult to fill,

while Sales and Business Development roles ranked second at 21%. This demand has driven wages up. Nationally, the mean salary for a technician is over \$50,000 annually before bonus and / or commission, while an installation manager earns somewhere in the neighborhood of \$85,000. Security salespeople generally rely heavily on commission for their salaries. According to this study, the mean salary for junior level Outside Account Manager in the Southern Region (where Maryland is grouped) is \$41,000 a year, with a mean annual commission of \$34,000. These are jobs that do not require a four-year degree and can provide a great career path, and they are in such high demand that it's not unheard of in some markets for a new hire to take a job with a competitor before they ever begin work at a company they just agreed to join.

Those working in the security industry in Maryland are vetted and registered by the Maryland State Police, who conduct a background check as part of their process. This check is generally completed within 90 business days. Until recently, the applicant could not work until the vetting process was complete, and by default, could not draw a salary or commission for months. This served as a disincentive for qualified applicants to join the security industry or to take a job with another company offering better pay, hours, etc.

ADT conducts thorough background checks of all of its employees using an outside firm before bringing them on board. This is common practice in the security industry. We take our security obligations seriously, and we want to be sure that anyone that we hire will be able to get permission from the state to work.

From time to time, our background checks will not report a conviction that the State Police report. This is due to the fact that we search only for offenses that would disqualify an applicant, whereas the State Police look for all offenses (for example, a marijuana conviction, a

conviction for an offense that occurred more than 10 years ago, etc.). These differences are generally reconciled after further investigation by the State Police, but can add to the time that it takes to get an employee registered and working if the applicant does not disclose these offences when he or she completes the state's application process at the outset.

Following a series of discussions with the Maryland State Police, the team handling licensing has instituted a process change to allow applicants to work with a provisional license while they complete their background check process. Senate Bill 713 codifies this process change and specifies that the application for registration will serve as the temporary registration document until or unless the state approves or rejects their application.

This provides clarity in the state law for applicants and security companies and will memorialize this process change to ensure that Maryland Security Salespeople and Technicians have the freedom to join the security industry and grow within it, without risking loss of pay and benefits.

In closing, I respectfully ask that the committee for a favorable report for Senate Bill 713. Thank you for your time and consideration.