

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 1368 (Delegate McHale)
Commerce and Government Matters

Maryland Security Systems Technicians Act - Licensing and Registration

This bill allows only the Secretary of the State Police to issue “security system” agency licenses. The bill establishes an advisory board that may handle disciplinary proceedings against a security system agency and authorizes the Secretary of the State Police to establish a continuing education committee and an apprenticeship program. The bill also reduces the maximum fine, from \$1,000 to \$500, for any violation of the Maryland Security Systems Technicians Act.

Fiscal Summary

State Effect: General fund revenues would increase beginning in FY 2002 from an increase in licensing fee revenues. No effect on expenditures.

Local Effect: Potential decrease in revenues.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill affects provisions regarding licensed security system agencies and registered security system technicians.

Licensed Security System Agencies

The bill provides that only the Secretary of State Police may issue a license to a “security system” agency in the State. A security system is a system used for securing a door or window. It may be a mechanical device such as a lock or dead bolt, or an electrical/electric-mechanical device operated by a key, combination, keycard, or pass

code. It also includes electronic systems used to sound or activate a distress call or alarm in emergency situations and closed circuit television surveillance systems. The bill alters the size of the license to an 8½ by 11 inch certificate and lengthens the term of a license to three years.

The bill also establishes a five-member advisory panel before which a person against whom disciplinary action is contemplated may request a hearing.

Registered Security System Technician

The bill provides that the Secretary may appoint a five-member continuing education committee to approve training and continuing education requirements for applicants and professionals. The bill also allows the State Department of Education, in conjunction with the Secretary of State Police, to establish an apprenticeship program under which minors may learn the security systems trade. An apprentice would be exempt from a criminal records check. The bill alters the membership of the advisory panel for security system technician discipline and lengthens the term of a license to three years.

While the bill alters the licensing cycle for both agencies and technicians, the Secretary may stagger the license expiration dates.

Current Law: The Secretary of State Police and/or local jurisdictions may issue a two-year license to either a security system agency or a registered security system technician. A security system agency is an individual or firm that provides security services while a security systems technician is a person who personally provides security system services.

The Secretary handles any disciplinary action taken against a security system agency. A security system agency license is in the form of a pocket identification card. Before the Secretary of State Police takes disciplinary action against a registered security system technician, the Secretary must give the individual against whom the action is contemplated an opportunity for either a hearing before the Secretary or a hearing before a five-member advisory panel.

There are no continuing education provisions or an apprenticeship program related to registered security system technicians.

A violator of any provision of the title is guilty of a misdemeanor and subject to a fine of up to \$1,000 and/or imprisonment of up to one year.

State Fiscal Effect: The general fund revenue increase from the additional licensing fee revenue is expected to be greater than the general fund revenue decrease caused by the decrease in the fine amount and the longer licensing cycle. The State charges a \$150

processing fee to license a security systems agency and the higher of \$15 or the actual processing costs to register a security systems technician.

Several counties have a licensing program for security systems professionals. Montgomery County has an annual licensing requirement and licenses approximately 350 security systems professionals a year. The bill requires these professionals to be licensed by the State, which would generate from \$5,250 to \$52,500 in general fund revenue in fiscal 2002.

Local Fiscal Effect: To the extent that a local jurisdiction charges a fee to license security systems agencies and technicians, there would be a decrease in revenues. It is expected that for most counties the effect will be minimal but some estimate a significant effect. Montgomery County charges security systems professionals a \$100 annual license renewal fee and estimates a \$35,000 annual revenue decrease as a result of the bill.

Montgomery County anticipates that its authority to issue citations to unauthorized agencies or technicians will be decreased under a State licensing program. In calendar 2000 Montgomery County issued 272 citations to agencies and/or technicians that sold or installed security systems without a license, resulting in \$74,150 in revenue. The bill is silent on what authority local jurisdictions would have to issue these types of citations.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Garrett, Montgomery, and Prince George's counties; Department of State Police; Department of Education; Department of Legislative Services

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