

BILL ANALYSIS

Senate Research Center
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S.B. 1400
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1400 is an omnibus bill for all the security contractors licensed and regulated by the Department of Public Safety of the State of Texas (DPS). This bill has several components that clean up language from the sunset legislation affecting DPS from the 81st Legislature. This bill also clarifies and redefines the existing definition of alarm systems, and adds a new class of licensure for cameras and camera systems.

Currently, the law incorporates the definition of cameras into the definition of alarm systems. Because of the ever-changing technology of video and camera systems, this bill places camera and camera systems in a separate license category. This bill brings camera installation and service companies into compliance with the current background, insurance, and license requirements already imposed on alarm companies, guard companies, private investigators, and locksmith companies that do business in Texas.

This bill exempts law enforcement, hospitals, video conferencing, and other non-security applicants from license requirements and also exempts homeowners who install do-it-yourself systems. This bill also cleans up an unintended consequence from the 81st Legislature that requires that notice is sent to customers if anything changes regarding the address, phone number, contract, or contact information of an alarm service company. This bill allows for alarm companies to change their monitoring contractor without having to notify the consumer as long as all of the information mentioned above has not changed, and the customer is in no way affected by the change of the monitoring contractor.

As proposed, S.B. 1400 amends current law relating to the regulation of certain private security companies and occupations.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Private Security Board in SECTION 11 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1702.002, Occupations Code, by amending Subdivisions (1) and (6-a) and adding Subdivisions (4), (4-a), and (13-a) to redefine "alarm system" and electronic access control device" and to define "closed circuit television or still camera system," "camera systems company," and "lock."

SECTION 2. Amends Section 1702.021(a), Occupations Code, to provide that the Texas Private Security Board (board) consists of nine members, rather than seven members, appointed by the governor with the advice and consent of the senate, including five public members, rather than four public members, each of whom is a citizen of the United States, and one member who is licensed under this chapter as a locksmith. Makes nonsubstantive changes.

SECTION 3. Amends Section 1702.102(a), Occupations Code, to prohibit a person, unless the person holds a license as a security services contractor, from performing certain actions, including acting as an alarm systems company, armored car company, camera systems company,

courier company, guard company, guard dog company, locksmith company, or private security consultant company.

SECTION 4. Amends Section 1702.1056(a), Occupations Code, to provide that a person acts as a locksmith company for the purposes of this chapter if the person, for a fee and with legal authorization, sells, installs, services, maintains, bypasses, or defeats electronic access control devices or mechanical security devices, including deadbolts and locks, rather than sells, installs, services, maintains, or offers to sell, install, service, or maintain, mechanical security devices, including deadbolts and locks; advertises services traditionally offered by a company using the term "locksmith"; or includes the term "locksmith" in the company's name.

SECTION 5. Amends Subchapter F, Chapter 1702, Occupations Code, by adding Section 1702.1057, as follows:

Sec. 1702.1057. CAMERA SYSTEMS COMPANY. Provides that a person acts as a camera systems company for purposes of this chapter if the person:

- (1) sells, installs, services, or monitors a closed circuit television or still camera system; or
- (2) offers to perform a service described by Subdivision (1).

SECTION 6. Amends Section 1702.221(b), Occupations Code, to require an individual to obtain the appropriate endorsement in accordance with the requirements of this chapter and related administrative rules if the individual meets certain criteria, including the individual is employed as a camera systems installer.

SECTION 7. Amends Section 1702.227(a), Occupations Code, to provide that an individual acts as a locksmith for the purposes of this chapter if the person, for a fee and with legal authorization, sells, installs, services, maintains, bypasses, or defeats electronic access control devices or mechanical security devices, including deadbolts and locks; or advertises or offers locksmith services to the public or represents to the public that the person is a locksmith.

SECTION 8. Amends Subchapter J, Chapter 1702, Occupations Code, by adding Section 1702.2228, as follows:

Sec. 1702.2228. CAMERA SYSTEMS INSTALLER. Provides that an individual acts as a camera systems installer for purposes of this chapter if the individual:

- (1) installs, maintains, or repairs a closed circuit television or still camera system; or
- (2) advertises or offers the services under Subdivision (1) to the public or represents to the public that the person is a camera systems installer.

SECTION 9. Amends Section 1702.288, Occupations Code, by adding Subsection (f) to provide that a license holder acting as an alarm systems company does not have to provide the notice required under Subsection (d) if the contact information, including the address and the telephone numbers for the alarm company, has not changed.

SECTION 10. Amends Section 1702.328, Occupations Code, as follows:

Sec. 1702.328. New heading: SECURITY SYSTEMS SALES AND INSTALLATION EXEMPTIONS. Provides that this chapter does not apply to:

- (1) a person who owns and installs an alarm system or detection device, electronic access control device, lock, or closed circuit television or still camera system, rather than a burglar detection or alarm device, on the person's own property or installs the system or device for the protection of the person's personal property located on another person's property and does not, as a normal business

practice, install the systems or devices on the property of another, and who does not perform any other act that requires a license under this chapter, rather than, if the person does not charge for the device or the installation, installs the device for the protection of the person's personal property located on another person's property and does not, as a normal business practice, install the devices on the property of another;

(2) a person in the business of building construction that installs electrical wiring and devices that may include in part the installation of an alarm system, detection device, electronic access control device, lock, or closed circuit television or still camera system, rather than a burglar alarm, if:

(A) the person is a party to a contract that provides that:

(i) the installation will be performed, rather than performed under the direct supervision of, inspected, and certified by a person licensed to install and certify the alarm system, detection device, electronic access control device, lock, or closed circuit television or still camera system; and

(ii) the license holder assumes full responsibility for the installation of the system or device; and

(B) the person does not service or maintain alarm systems, electronic access control devices, locks, closed circuit television or still camera systems, or detection devices;

(3) a person who sells or installs automobile burglar alarm devices and who does not perform any other act that requires a license under this chapter; or

(4) a person who sells exclusively by e-commerce, over the counter transactions, or mail order, alarm systems, electronic access control devices, locks, or detection devices and who does not perform any other act that requires a license under this chapter.

SECTION 11. (a) Makes application of Chapter 1702, Occupations Code, prospective.

(b) Requires the governor, not later than February 1, 2013, to appoint the members of the board necessary to ensure the composition of the board complies with Section 1702.021, Occupations Code, as amended by this Act.

(c) Requires the board to adopt rules to implement the changes in law made by this Act not later than January 1, 2012. Provides that a person is not required to obtain a registration or endorsement under Section 1702.2228, Occupations Code, as added by this Act, before January 1, 2012.

SECTION 12. Effective date: upon passage or September 1, 2011.