

## **BILL ANALYSIS**

Senate Research Center  
83R5602 SLB-F

S.B. 407  
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Business & Commerce  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Burglar and fire alarm technology has evolved towards an integrated system model, whereby a consumer can use a burglar or fire alarm panel to adjust not only an alarm but also thermostats, lighting, locks, and window treatments. The thermostat component of this new technology has caused problems for burglar and fire alarm professionals in Texas because of the state's current air conditioning and refrigeration licensing requirements.

Section 1302.002 (Definitions), Occupations Code, stipulates that "air conditioning and refrigeration contracting means performing or offering to perform the design, installation, construction, repair, maintenance, service, or modification of equipment or a product in an environmental air conditioning system, a commercial refrigeration system, or a process cooling or heating system." Section 1305.251 (Grounds for Denial or Disciplinary Action), Occupations Code, requires that anyone who performs this work in Texas possess a license from the Texas Department of Licensing and Regulation.

Because of these provisions, a burglar or fire alarm professional who offers to sell an integrated burglar or fire alarm with thermostat controls is in violation of the law unless he or she also possesses an air conditioning and refrigeration contractor license.

S.B. 407 allows a licensed burglar or fire alarm professional to sell, design, or offer to sell or design integrated alarm products without obtaining an air conditioning and refrigeration contractor license, as long as the sale, design, or offer to sell or design does not include air conditioning and refrigeration installation work.

As proposed, S.B. 407 amends current law relating to an exemption for persons who sell certain burglar and fire alarm components from the requirement to be licensed as an air conditioning and refrigeration contractor.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 1302, Occupations Code, by adding Section 1302.064, as follows:

Sec. 1302.064. TECHNOLOGY INTEGRATION. Provides that this chapter does not apply to a person licensed under Chapter 1702 (Private Security) of this code or Chapter 6002 (Fire Detection and Alarm Device Installation), Insurance Code, who sells, designs, or offers to sell or design a product or technology, including a burglar alarm or fire alarm, that is integrated with an air conditioning or refrigeration system if the sale, design, or offer does not include the installation of any part of an air conditioning or refrigeration system by that person.

SECTION 2. Effective date: upon passage or September 1, 2013.