

1 H.368

2 Introduced by Representatives Scheuermann of Stowe, Andrews of Rutland

3 City, Baker of West Rutland, Grad of Moretown, O'Donnell of

4 Vernon, Savage of Swanton and Toll of Danville

5 Referred to Committee on

6 Date:

7 Subject: Professions and occupations; electronic life safety and property

8 protection systems; licensure

9 Statement of purpose: This bill proposes to establish a system for licensing
10 firms and individuals who sell, install, integrate, inspect, service, and monitor
11 life safety and intrusion detection systems and equipment, including property
12 protection systems, video surveillance, electronic access control, and medical
13 alarms.

14 An act relating to the licensure of electronic life safety and property
15 protection systems

16 It is hereby enacted by the General Assembly of the State of Vermont:

17 Sec. 1. SHORT TITLE

18 This act shall be known as the Electronic Life Safety and Property
19 Protection Systems Licensing Act.

1 Sec. 2. 26 V.S.A. chapter 95 is added to read:

2 CHAPTER 95. ELECTRONIC LIFE SAFETY AND PROPERTY

3 PROTECTION SYSTEMS

4 § 4901. DEFINITIONS

5 As used in this chapter, unless the context clearly indicates otherwise:

6 (1) “Access control system” means a combination of electronic
7 equipment and devices designed and arranged for the control of authorized
8 individuals, vehicles, and materials through entrances and exits of a controlled
9 area or premises.

10 (2) “Board” means the electronic life safety and property protection
11 systems licensing board.

12 (3) “Burglar alarm system” means an assembly of equipment and
13 devices designed and arranged to signal an unauthorized entry or attempted
14 entry of a person or an object into the area covered by the system.

15 (4) “Closed circuit television” means an in-house television system in
16 which a transmitter (camera) feeds one or more receivers (monitors) through a
17 closed cable or other transmission method and includes portable investigative
18 equipment such as surveillance equipment devices and associated wiring that is
19 not permanently attached to a building or other structure, and which may or
20 may not include the ability to transmit video signals locally or remotely.

1 (5) “Firm” means a person, firm, partnership, corporation, association,
2 or other entity that sells, installs, services, inspects, tests, or maintains burglar
3 alarm systems, electronic access control systems, video surveillance systems,
4 personal emergency response systems, or integrations of any of these systems,
5 or provides service of property protection.

6 (6) “Individual license” means the authorization under this chapter for
7 an individual to perform life safety and property protection contracting for
8 those endorsements held. The individual may sell, install, service, inspect, test,
9 integrate, or maintain burglar alarm systems, electronic access control systems,
10 video surveillance systems, or personal emergency response systems.

11 (7) “License” means a license to engage in business in this state in life
12 safety and property protection.

13 (8) “Licensee” means an individual, firm, sole proprietorship,
14 partnership, corporation, association, or other entity that holds either a firm
15 license or individual license.

16 (9) “Life safety and property protection systems and equipment” means
17 those life safety and property protection systems intended to protect lives and
18 property from the risk of theft, unauthorized entry, or physical harm to a
19 structure’s occupants or property. Property protection systems and equipment
20 may include intrusion alarms, closed circuit televisions, and access control.

1 (10) “Monitoring” means the retransmission of information received
2 from property protection systems to the proper individual as required by law or
3 as determined by the property protection systems user.

4 (11) “NBFAA” means the National Burglar and Fire Alarm Association.

5 (12) “Operator” means an individual licensed to perform alarm operator,
6 dispatcher, or monitor functions of a life safety and property protection system.

7 (13) “Person” means an individual, firm, sole proprietorship,
8 partnership, corporation, association, or other entity.

9 (14) “Property protection system” means an assembly of electronic
10 equipment and devices that provides as its main purpose the protection of life
11 or property, and the detection of threats or violations to the security of the
12 protected premises. The system functions include, solely or in combination:
13 burglar alarm systems, electronic access control systems, video surveillance
14 systems, or personal emergency response systems.

15 (15) “Runner” means an individual who is employed by a monitoring
16 station for the purpose of responding in direct response to an alarm condition.

17 (16) “VASA” means the Vermont Alarm and Signal Association.

18 § 4902. ELECTRONIC LIFE SAFETY AND PROPERTY PROTECTION

19 SYSTEMS LICENSING BOARD

20 (a) The electronic life safety and property protection systems licensing
21 board is created. The board shall consist of the following members:

1 (1) three electronic life safety and property protection systems firm
2 licensees who are members of VASA and who have been actively engaged in
3 the electronic life safety and property protection systems industry in Vermont
4 for at least five years immediately preceding appointment;

5 (2) one representative of the Vermont state police;

6 (3) one representative of law enforcement in Vermont who is not a
7 member of the Vermont state police;

8 (4) two members of the public.

9 (b) The board shall meet within 30 days after the appointment of its
10 members and shall establish operating procedures and develop application
11 forms for licensure.

12 (c) Board members shall be appointed by the governor pursuant to sections
13 129b and 2004 of Title 3 and shall be citizens of the United States and
14 residents of the state of Vermont.

15 (d) The three electronic life safety and property protection systems firm
16 licensees initially appointed to the board need not be licensed at the time of
17 appointment but shall satisfy eligibility requirements for licensure within 90
18 days of appointment.

19 (e) A majority of the members of the board shall constitute a quorum. A
20 member shall not be counted as part of a quorum or vote on any issue unless
21 the member is physically in attendance at the meeting.

1 (f) The board shall select annually a chair from among its members. The
2 board, with the approval of the secretary, shall select and fix the compensation
3 of an individual, who shall conduct the daily operations of the board and
4 provide for the administration of the board's activities.

5 (g) Each electronic life safety and property protection systems firm licensee
6 and the public members of the board shall be eligible for reimbursement of
7 mileage and actual expenses when attending board meetings.

8 (h) A member who is an electronic life safety and property protection
9 systems firm licensee or a public member who fails to attend three consecutive
10 meetings shall forfeit the member's seat unless the secretary, upon written
11 request from the member, finds that the member should be excused from a
12 meeting because of illness or the death of a family member.

13 (i) A public member who fails to attend two consecutive board meetings
14 shall forfeit the member's seat unless the secretary, upon written request from
15 the public member, finds that the public member should be excused from a
16 meeting because of illness or the death of a family member.

17 (j) The board shall meet at least quarterly and at additional times as called
18 by the chair or a majority of the board.

19 § 4903. POWERS AND DUTIES OF BOARD

20 (a) The board shall have the following powers and duties:

1 (1) To ensure at least one examination every six months for each
2 specific classification of individual license, designate the time and place of
3 those examinations, and notify applicants. The board may engage a testing
4 service that is qualified to administer any examinations required under this
5 chapter.

6 (2) To provide for and regulate the licensing of individuals under this
7 chapter.

8 (3) To establish the minimum qualifications for applicants for
9 examination and licensing.

10 (4) To issue licenses, renew licenses, reinstate licenses, or refuse to
11 renew, suspend, and revoke licenses as provided in this chapter.

12 (5) To administer and enforce the provisions of this chapter.

13 (6) To investigate applications for licensure and to determine the
14 eligibility of an individual applying for licensure.

15 (7) To adopt rules, consistent with this chapter, as necessary only to
16 carry into effect the provisions of this chapter.

17 (8) To keep and maintain minutes and records of all its transactions,
18 proceedings, and meetings and to ensure those records are available to the
19 public consistent with applicable state law.

20 (9) To work with the department of public safety to establish and
21 maintain a database.

1 (10) To conduct an investigation of any alleged violation of this chapter.

2 (11) To notify the secretary and board members of meeting dates and
3 agenda items at least five days prior to the meeting.

4 (12) To circulate the forms and educate the public regarding the
5 requirements of being licensed.

6 (13) To establish procedures to investigate and undertake disciplinary
7 action against a licensee.

8 (14) To adopt by rule a process by which it will evaluate the experience
9 required of applicants for licenses under this chapter.

10 (15) To conduct an examination of any civil judgments and criminal
11 convictions of an applicant, including obtaining any criminal record
12 information permitted by law.

13 (16) To require documentation that a firm with a property protection
14 alarm license is an entity licensed to conduct business within this state and
15 with its principal place of business within the physical boundaries of this state.

16 (17) To issue a license to an applicant if the applicant has complied with
17 the application requirements and paid the fees required by this chapter not later
18 than 30 days after the date on which the board determines that an applicant
19 successfully completed the education requirements under this chapter.

20 (18) To adopt by rule, continuing education requirements for licensees.

1 (b) The board shall not adopt any rule that unreasonably restricts
2 competition or the availability of services requiring licenses pursuant to this
3 chapter or that unnecessarily increases the cost of services.

4 (c) No member of the board shall be liable in a civil action for any act
5 performed in good faith in the execution of his or her duties as a board
6 member.

7 (d) Notice of the issuance, revocation, reinstatement, or expiration of every
8 license issued by the board shall be furnished to the Vermont state police,
9 county sheriffs, and the chiefs of police, as appropriate.

10 (e) Information contained in alarm system records held by the board
11 concerning the location of an alarm system, the name of the occupant, or the
12 type of alarm system used shall be confidential and disclosed only to the board
13 or as otherwise required by law.

14 § 4904. TYPES OF LICENSES

15 (a) The following are types of firm licenses:

16 (1) Property protection alarm license: for a firm that sells, installs,
17 services, inspects, tests, or maintains burglar alarm systems, electronic access
18 control systems, video surveillance systems, personal emergency response
19 systems or that provides monitoring of burglar alarm systems, electronic access
20 control systems, video surveillance systems, or personal emergency response
21 systems.

1 (2) Monitoring license: for a firm that provides monitoring of, and
2 responds only to, burglar alarm systems, electronic access control systems,
3 video surveillance systems, or personal emergency response systems.

4 (b) The following are types of individual licenses:

5 (1) Installer license: for an individual whose primary responsibility is
6 the installation, service, or repair of equipment used in the alarm industry
7 under the exclusive guidance and supervision of a technician licensee who is
8 licensed with the same firm and holds a valid license to perform the same acts.

9 (2) Technician license: for an individual whose primary responsibility
10 is the installation, service, or repair of equipment used in the alarm industry.

11 (3) Sales license: for an individual who solicits another on behalf of a
12 firm licensee by any means, including by telephone or other electronic device,
13 public notice or advertisement, door-to-door, or any other type of personal
14 interaction.

15 (c) No license may be used for any purpose by any person other than the
16 person to whom the license is issued. No license may be assigned, transferred,
17 or otherwise disposed of so as to permit its unauthorized use.

18 § 4905. EXEMPTIONS

19 Except as otherwise provided in this chapter, the following are exempt from
20 licensure:

1 (1) Retail and Internet sales of electronic life safety and property
2 protection systems directly to the consumer for self installation and personal
3 use.

4 (2) Personal emergency response systems provided by nonprofit or
5 social welfare agencies.

6 (3) A person who personally performs electronic life safety and property
7 protection systems work on the site of real property which the person owns or
8 leases, whether or not for commercial or residential purposes.

9 (4) Work done by an employee of the state, a county, a municipality, or
10 any governmental subdivision or agency, when done in conjunction with or as
11 part of the primary job responsibility of that employee.

12 (5) A firm or individual who installs a motor vehicle alarm system.

13 (6) Work performed by a person's regular employees, for which the
14 employees are paid regular wages and not a contract price, on property which
15 the employer owns or leases, whether for commercial or residential purposes.

16 § 4906. LICENSE REQUIRED; DISPLAY OF LICENSE

17 (a) No person in this state shall engage in any act as a licensee unless the
18 person shall first have obtained a license. A person who is employed by a firm
19 licensed under this chapter and who is not individually licensed under this
20 chapter, but who has access to information in the ordinary course of
21 employment that would allow that individual to circumvent property protection

1 or life-safety systems, shall submit to a search of all criminal record
2 information including information relating to convictions in Vermont,
3 convictions in other jurisdictions recorded in other state repositories, or by the
4 Federal Bureau of Investigation (FBI), and other related information as
5 required by the board. The board shall not issue a license to a person
6 individually or any firm that employs an individual who has been convicted of
7 a felony.

8 (b) No person or firm shall aid, abet, facilitate, or otherwise assist an
9 unlicensed person or firm in engaging in life safety and property protection
10 contracting as defined in this chapter when the person or firm knew or should
11 have known that the person or firm assisted was unlicensed.

12 (c) No person or firm, while holding a license, shall:

13 (1) allow another person or firm to use his, her, or its license or license
14 number;

15 (2) use any credential, method, means, or practice to impersonate a
16 representative of the board;

17 (3) make use of any designation provided by law to denote professional
18 or occupational competence without being duly licensed;

19 (4) make use of any title, words, letter, or abbreviations which may
20 reasonably be confused with a designation provided by law to denote a

1 standard of professional or occupational competence without being duly
2 licensed;

3 (5) materially misrepresent facts in an application for licensure or in
4 other communications with the board;

5 (6) refuse to furnish to the board information or records required or
6 requested pursuant to statute or regulation.

7 (d) A firm to whom a license has been issued shall keep the license or a
8 copy posted in a conspicuous position at the primary place of business. The
9 license number shall be included in all contracting advertisements and all fully
10 executed and binding contracts.

11 § 4907. FIRM LICENSEES; REQUIREMENTS

12 (a) A firm licensed under this chapter may sell, lease, rent, plan with the
13 intent to pre-wire, pre-wire, maintain, repair, test, modify, improve, or alter life
14 safety systems and equipment; hold oneself or one's firm out for hire to
15 perform any of these tasks; or otherwise offer to perform any of these tasks for
16 compensation, either directly or indirectly or any tasks that provide off-site
17 monitoring of burglar alarm systems, electronic access control systems, or
18 video surveillance systems in this state.

19 (b) The following shall be required of a firm holding a property protection
20 alarm license or a monitoring license:

1 (1) A firm shall maintain records of all employees during their
2 employment and for one year after the end of their employment. Records shall
3 be available upon request of the board or an investigator of the board.

4 (2) An affidavit of compliance with this chapter shall be submitted with
5 the application for and renewal of a license.

6 (3) All individuals shall have their fingerprints submitted within 90 days
7 after employment.

8 (4) An individual designated as an operator or a runner shall have
9 submitted an FBI criminal background check within 90 days of employment.

10 A law enforcement agency or law enforcement officer acting in an official
11 capacity who responds to an alarm system shall be exempt from this
12 requirement.

13 § 4908. INDIVIDUAL LICENSES; REQUIREMENTS

14 The following shall be required of an individual holding an installer license,
15 technician license, or sales license:

16 (1) An individual that sells, installs, services, inspects, tests, or
17 maintains a property protection system shall hold a technician license.

18 (2) An individual shall complete minimum training relative to the
19 specific field as set forth in this chapter.

20 (3) An individual shall notify the board of any arrest or conviction
21 within 10 days.

1 (4) Individual license applicants shall have one year after the date of
2 employment to complete the educational requirements.

3 (5) An individual licensee shall submit his or her fingerprints within 90
4 days after employment.

5 (6) An individual licensee shall submit to a search of all criminal record
6 information, including information relating to convictions in Vermont,
7 convictions in other jurisdictions recorded in other state repositories, or by the
8 Federal Bureau of Investigation (FBI), and other related information as
9 required by the board within 90 days of employment.

10 § 4909. INDIVIDUAL LICENSEES; ELIGIBILITY; EDUCATIONAL
11 REQUIREMENTS

12 (a) To be eligible for licensure, an individual applicant shall successfully
13 complete the prescribed training in at least one of the three disciplines
14 governed by the license.

15 (b) To be eligible for licensure, an applicant for a technician license shall
16 satisfactorily complete the prescribed training in at least one of the three
17 disciplines governed by the license and verify completion of 1,000 hours
18 working in the industry under the supervision of a technician license holder or
19 board-approved equivalent.

20 (c) To be eligible for licensure renewal, a technician licensee shall
21 satisfactorily complete the NBFAA Level One Certified Alarm Technician

1 Course and one of the following NBFAA advanced courses: the NBFAA
2 Advanced Burglar Alarm Technician Course, the NBFAA Electronic Access
3 Control Course, or the NBFAA Video System Technologies Course, or
4 equivalent training approved by the board.

5 (d) To be eligible for licensure, an applicant for a sales license shall
6 satisfactorily complete the NBFAA Essential Sales Training (EST).

7 § 4910. APPLICATIONS; QUALIFICATIONS; FEES

8 Applicants for licensure under this chapter shall:

9 (1) Submit to the board a completed application on a form prescribed by
10 the board;

11 (2) Pay an application fee as follows:

12 (A) Firm licenses:

13 (i) Property protection alarm license \$100.00

14 (ii) Monitoring license \$100.00

15 (B) Individual licenses:

16 (i) Installer license \$ 75.00

17 (ii) Technician license \$100.00

18 (iii) Sales license \$ 75.00

19 (3) Submit to the board any other information required by the board by
20 rule.

1 (4) Demonstrate to the satisfaction of the board the appropriate amount
2 of work experience, honesty, trustworthiness, and integrity as required for the
3 license.

4 (5) Maintain workers' compensation coverage for the firm's employees
5 through an insurance company authorized to engage in the business of
6 insurance in this state or through self-insurance.

7 (6) Maintain in full force and effect general liability insurance coverage
8 in an amount not less than \$500,000.00 for each occurrence and \$500,000.00
9 in the aggregate. The firm shall submit evidence of liability insurance
10 coverage when it submits its licensing application or at any time requested by
11 the board. The board may in its discretion adjust the amount of required
12 insurance coverage by rule.

13 (7) Be a citizen of the United States.

14 § 4911. INACTIVE STATUS

15 (a) A license may be placed on inactive status for up to three years. The
16 licensure fee shall be paid upon application for the license to be returned to
17 active status.

18 (b) A license that has been moved to inactive status may be reactivated
19 upon application to the board. The board may adopt, by rule, continuing
20 education requirements as a condition of reactivating a license. The continuing

1 education requirements for reactivating a license may not exceed 12 classroom
2 hours for each year the license was inactive.

3 (c) Notwithstanding any other provision of law to the contrary, a licensee
4 may apply to the board for voluntary inactive status at any time during the
5 period of licensing.

6 § 4912. RENEWALS

7 (a) Except as provided in subsection (b) of this section, a license shall
8 expire three years from the date of issue, but may be renewed upon payment of
9 the required renewal fee.

10 (b) Not later than the 60 days prior to the expiration of a license, the board
11 shall notify the licensee in writing, at the licensee's last known mailing
12 address, of the impending license expiration.

13 (c) If a licensee fails to renew a license prior to its expiration date, the
14 licensee may renew it within 30 days of its expiration by submitting a renewal
15 application, the license renewal fee, and a late fee, as adopted by the board by
16 rule.

17 (d) A license that is not renewed within 30 days of its expiration shall be
18 automatically suspended. An individual who continues to practice with a
19 suspended license shall be in violation of this chapter.

20 (e) Renewal fees shall be the same as the fees for initial licensure.

1 § 4913. UNPROFESSIONAL CONDUCT

2 (a) Unprofessional conduct is the conduct prohibited by this section or by
3 section 129a of Title 3, whether or not demonstrated by a licensee or applicant.

4 (b) Unprofessional conduct means any of the following:

5 (1) a violation of any provision of this chapter. If the violation is by a
6 firm, the board may discipline the responsible officers or employees of the firm
7 as it deems appropriate;

8 (2) an individual who holds himself or herself out as a firm without
9 being properly licensed as provided in this chapter;

10 (3) negligence or incompetence in the area of contracting for which a
11 license was issued;

12 (4) willful or repeated violation of any of the provisions of this chapter
13 or rule of the board;

14 (5) fraud or deceit in securing licensure;

15 (6) a license suspension or revocation or other disciplinary action by the
16 appropriate licensing authority in another state, territory, possession of the
17 United States, or country;

18 (7) with respect to the practice of contracting, acting in such a manner as
19 to present an immediate and clear danger to health, safety, or property;

20 (8) failure to notify the board of any change in legal name or mailing
21 address within 30 days of the change.

1 (c) After a hearing, the board may take disciplinary action against a
2 licensee or applicant found guilty of unprofessional conduct. Discipline by the
3 board against a licensee or applicant for unprofessional conduct may include
4 denial of an application, revocation or suspension of a license, imposed
5 supervision, reprimand, warning, or the required completion of a course of
6 action.

7 § 4914. CRIMINAL PENALTIES

8 (a) An individual or the responsible officers or employees of a firm or other
9 entity violating a provision of this chapter or a rule of the board commits a
10 misdemeanor and shall, upon conviction, be sentenced to pay a fine of not
11 more than \$1,000.00 for the first violation.

12 (b) For a second and each subsequent conviction, an individual shall be
13 sentenced to pay a fine of not more than \$2,000.00.

14 (c) In addition to or in lieu of administrative sanctions, the board is
15 empowered to issue an order to any person or firm engaged in any activity,
16 conduct, or practice constituting a violation of any provision of this chapter to
17 cease and desist from the activity, conduct, or practice. The order shall be
18 issued in the name of the state of Vermont under the official seal of the board.
19 If the person or firm to whom the board directs a cease-and-desist order does
20 not cease and desist from the prohibited activity, conduct, or practice
21 immediately after service of the order by certified mail or personal service, the

1 board may seek, in any court of competent jurisdiction and proper venue, a
2 writ of injunction enjoining the person or firm from engaging in any activity,
3 conduct, or practice prohibited by this law.

4 Sec. 3. EFFECTIVE DATE

5 This act shall take effect on January 1, 2010, however, sections 4901, 4902,
6 and 4903, relating to definitions and the creation and powers and duties of the
7 electronic life safety and property protection systems licensing board, shall
8 take effect upon passage.