

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015**

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**HOUSE BILL 299  
PROPOSED COMMITTEE SUBSTITUTE H299-PCS30376-TGf-24**

Short Title: Occ.Lic./Private Protective Svcs. Act Changes-AB

(Public)

Sponsors:

Referred to:

March 19, 2015

A BILL TO BE ENTITLED  
AN ACT TO MAKE VARIOUS CHANGES TO THE PRIVATE PROTECTIVE SERVICES  
ACT AND THE ALARM SYSTEMS LICENSING ACT AND TO CREATE CERTAIN  
FEES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 74C-5 reads as rewritten:

**"§ 74C-5. Powers of the Board.**

In addition to the powers conferred upon the Board elsewhere in this Chapter, the Board shall have the power to do all of the following:

...

(13) Conduct investigations regarding unlicensed activity and, with the concurrence of the Secretary of Public Safety, issue cease and desist letters.

(14) Acquire, hold, rent, encumber, alienate, and otherwise deal with real property in the same manner as a private person or corporation, subject only to approval of the Governor and the Council of State. Collateral pledged by the Board for an encumbrance is limited to the assets, income, and revenues of the Board."

**SECTION 2.** G.S. 74C-7 reads as rewritten:

**"§ 74C-7. Investigative powers of the Secretary of Public Safety.**

The Secretary of Public Safety for the State of North Carolina shall have the power to investigate or cause to be investigated any complaints, allegations, or suspicions of wrongdoing or violations of this Chapter involving individuals unlicensed, licensed, or to be licensed, under this Chapter. Any investigation conducted pursuant to this section is confidential and is not subject to review under G.S. 132-1 until the investigation is complete and a report is presented to the Board. However, the report may be released to the licensee after the investigation is complete but before the report is presented to the Board."

**SECTION 3.** G.S. 74C-8 reads as rewritten:

**"§ 74C-8. License requirements.**

...

(c) **Qualifying Agent.** – A business entity, other than a sole proprietorship, that engages in private protective services is subject to all of the requirements listed in this subsection with respect to a qualifying agent. For purposes of this Chapter, a "qualifying agent" is an individual in a management position who is licensed under this Chapter and whose name and address have been registered with the Director. The requirements are:

...



1 (3) In the event that the qualifying agent upon whom the business entity relies in  
 2 order to do business ceases to perform his duties as qualifying agent, the  
 3 business entity shall notify the Director within 10 working days. The  
 4 business entity must obtain a substitute qualifying agent within ~~30-90~~ days  
 5 after the original qualifying agent ceases to serve as qualifying agent unless  
 6 the Board, in its discretion, extends ~~this the 90-day~~ period, for good cause,  
 7 for a period of time not to exceed three months, an additional 30 days upon  
 8 the filing of a petition by the business entity and upon a hearing by the  
 9 Board. The Board may require the payment of a late fee for a business entity  
 10 failing to obtain a substitute qualifying agent pursuant to the requirements of  
 11 this subsection.

12 (4) The certificate authorizing the business entity to engage in a private  
 13 protective services profession shall list the name of at least one designated  
 14 qualifying agent. No licensee shall serve as the qualifying agent for more  
 15 than one business entity without prior approval of the Director, subject to the  
 16 approval of the Board.

17 (5) Repealed by Session Laws 2009-328, s. 3, effective October 1, 2009.

18 ...  
 19 (f) Issuance. – Upon a finding that the application is in proper form, the completion of  
 20 the background investigation, and the completion of an examination required by the Board, the  
 21 Director shall submit to the Board the application and the Director's recommendations. Upon  
 22 completion of the background investigation, the Director may issue a temporary license  
 23 pending approval of the application by the Board at the next regularly scheduled meeting. The  
 24 Board shall determine whether to approve or deny the application for a license. Upon approval  
 25 by the Board, a license will be issued to the applicant upon payment by the applicant of the  
 26 initial license fee and the required contribution to the Private Protective Services Education  
 27 Fund, and certificate of liability insurance. The applicant must pay the initial license fee and  
 28 make the required contribution to the Fund within 90 days from the date the applicant receives  
 29 notice of pending licensure approval unless the Board, in its discretion, extends the 90-day  
 30 period, for good cause, for an additional 30 days upon the filing of a petition by the applicant  
 31 and upon a hearing by the Board. The Board may require the payment of a late fee for an  
 32 applicant failing to pay the initial license fee or failing to make the contribution to the Fund  
 33 pursuant to the requirements of this subsection.

34 (1) through (5) Repealed by Session Laws 1989, c. 759, s. 6.

35 ...."

36 **SECTION 4.** G.S. 74C-9 reads as rewritten:

37 "**§ 74C-9. Form of license; term; renewal; posting; branch offices; not assignable; late**  
 38 **renewal fee.**

39 ...  
 40 (e) The Board is authorized to charge reasonable application and license fees as  
 41 follows:

42 ...  
 43 (7) An application fee for a firearm registration permit for all applicants and  
 44 licensees subject to G.S. 74C-13 not to exceed fifty dollars (\$50.00).

45 (8) A new, renewal, replacement, or reissuance fee for a firearm registration  
 46 permit for all applicants and licensees subject to G.S. 74C-13 not to exceed  
 47 thirty dollars (\$30.00).

48 ...  
 49 (16) A late fee for a business entity subject to G.S. 74C-8(c)(3) or an applicant  
 50 for licensure under G.S. 74C-8(f) not to exceed one hundred dollars  
 51 (\$100.00).

1 Except as provided in G.S. 74C-13(k), all fees collected pursuant to this section shall be  
2 expended, under the direction of the Board, for the purpose of defraying the expenses of  
3 administering this Chapter.

4 (f) A license or trainee permit granted under the provisions of this Chapter may be  
5 renewed by the Private Protective Services Board upon notification by the licensee or permit  
6 holder to the Director of intended renewal, the payment of the proper fee, and evidence of a  
7 policy of liability insurance as prescribed in G.S. 74C-10(e).

8 The renewal shall be finalized before the expiration date of the license. In no event will  
9 renewal be granted more than three months after the date of expiration of a license or trainee  
10 permit.

11 (f1) If a licensee, trainee, or registrant provides documentation to the Director that the  
12 licensee, trainee, or registrant is temporarily unable to complete the renewal application  
13 requirements because of a physical disability or medical condition, the Board may grant a  
14 90-day extension to complete the renewal requirements. To satisfy any requirements of the  
15 Board, the Director shall request documentation of the condition upon which the request is  
16 based. The documentation shall be submitted from a licensed medical practitioner and shall  
17 state that a condition exists that prevents the licensee, trainee, or registrant from completing the  
18 application or training requirements. Information provided pursuant to this subsection shall not  
19 be considered a public record under Chapter 132 of the General Statutes.

20 ...."

21 **SECTION 5.** G.S. 74C-12 reads as rewritten:

22 "**§ 74C-12. Denial, suspension, or revocation of license, registration, or permit; duty to**  
23 **report criminal arrests.**

24 (a) The Board may, after compliance with Chapter 150B of the General Statutes, deny,  
25 suspend or revoke a license, certification, registration, or permit issued under this Chapter if it  
26 is determined that the applicant, licensee, trainee, registrant, or permit holder has done any of  
27 the following acts:

28 (1) Made any false statement or given any false information in connection with  
29 any application for a license, certification, registration, or permit or for the  
30 renewal or reinstatement of a license, certification, registration, or permit.

31 ...."

32 **SECTION 6.** G.S. 74C-13 is amended by adding a new subsection to read:

33 "**§ 74C-13. Armed licensee or registered employee required to have firearm registration**  
34 **permit; firearms training.**

35 ...

36 (d2) A proprietary security organization that employs an armed security guard shall  
37 submit an application for a license to the Board on a form provided by the Board for that  
38 purpose. The proprietary security organization shall renew its license every two years.

39 ...."

40 **SECTION 7.** G.S. 74D-5(a) is rewritten to read:

41 "**§ 74D-5. Powers of the Board.**

42 (a) In addition to the powers conferred upon the Board elsewhere in this Chapter, the  
43 Board shall have the power to:

44 ...

45 (9) Acquire, hold, rent, encumber, alienate, and otherwise deal with real  
46 property in the same manner as a private person or corporation, subject only  
47 to approval of the Governor and the Council of State. Collateral pledged by  
48 the Board for an encumbrance is limited to the assets, income, and revenues  
49 of the Board."

50 **SECTION 8.** This act becomes effective July 1, 2015.