



SENATE BILL 345: Alarm Systems Licensing Act Modernization.

2023-2024 General Assembly

Committee:	Senate Finance. If favorable, re-refer to Rules and Operations of the Senate	Date:	June 26, 2023
Introduced by:	Sen. Daniel	Prepared by:	Trina Griffin
Analysis of:	Second Edition		Staff Attorney

OVERVIEW: *Senate Bill 345 would make various changes to the Alarm Systems Licensing Act.*

CURRENT LAW: The Alarm Systems Licensing Act (ASLA), Chapter 74D of the General Statutes, establishes the Alarm Systems Licensing Board (Board) and requires any person, firm, association, and corporation, or any department or division of those entities, to obtain a license prior to engaging in the alarm systems business in North Carolina. The seven member Board, under the Department of Public Safety (DPS), enforces the ASLA and administers the licensing, education, and training requirements for those engaged in the alarm systems business. Alarm system business is defined as selling or attempting to sell an alarm system device through personal solicitation at a residence or business or installing, servicing, monitoring, or responding to electrical or mechanical alarm signal devices, burglar alarms, monitored access control, or cameras used to detect unlawful entry or illegal activity. Certain alarm system activities are exempt from the licensing requirements including the sale of alarm systems not involving personal solicitation at residential or business locations, fire alarm system installation, monitoring activity located in another state not involving personal solicitation, and the provision of alarm system services provided to a State or local government.

BILL ANALYSIS: Senate Bill 345 would do all of the following:

- Rename Article 1 of Chapter 74D the "Security Systems Licensing Act" and change "alarm system" to "security system" throughout the Chapter.
- Update the definition of "security systems business" to include:
 - Any solicitation for the sale of a security system.
 - Wireless or hardwired alarm devices and security systems.
 - Integrated automation of a residence or business that includes a security element.
 - Analytic capturing devices, systems providing intelligence, or other imaging devices used to detect various illegal activities.
- Add additional requirements an applicant must meet to become a qualifying agent and grant the Director of the Board additional discretionary authority related to the extension of time to find substitute qualifying agents.
- Give the Board additional powers related to investigating unlicensed activity, engaging in real property transactions, and denying, suspending, or revoking a license or registration.
- Update the various requirements and conditions for issuing licenses, registrations, and permits.
- Increase the following statutory maximum fee amounts that may be charged by the Board:

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- Initial license application fee: \$150 to \$500
 - New or renewal license fee: \$500 to \$1,000
 - Late license renewal fee: \$100 to \$500
 - New or renewal registration fee: \$50 to \$100
 - Reregistration for change of employment to another licensee: \$10 to \$25
 - Branch office certificate fee: \$150 to \$300
 - Late registration fee: \$20 to \$40
- Remove outdated and unnecessary language and move certain statutory language to more appropriate locations in the Chapter.

EFFECTIVE DATE: The act would become effective October 1, 2023.

**Billy Godwin and Anna Parsons, Legislative Analysis Division, substantially contributed to this summary.*