

SUBSTITUTE FOR  
HOUSE BILL NO. 5917

A bill to amend 1968 PA 330, entitled "Private security guard act of 1968," by amending the title and sections 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 14, 17, 18, 19, 22, 25, 29, 30, 31, 32, and 33 (MCL 338.1051, 338.1052, 338.1053, 338.1054, 338.1056, 338.1057, 338.1058, 338.1059, 338.1060, 338.1061, 338.1064, 338.1067, 338.1068, 338.1069, 338.1072, 338.1075, 338.1079, 338.1080, 338.1081, 338.1082, and 338.1083), sections 6, 10, 17, and 18 as amended by 1994 PA 326; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1

TITLE

2

An act to license and regulate private security guards, pri-

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vate SECURITY police, ~~special police, security technicians,~~

4

~~watchmen, patrol service,~~ private security guard agencies and

5

SECURITY alarm systems ~~sales, installations, and operations~~

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1 SERVICING, INSTALLING, OPERATING, AND MONITORING; to provide  
2 penalties for violations; to protect the general public against  
3 unauthorized, unlicensed and unethical operations by individuals  
4 engaged in private security activity or SECURITY alarm systems  
5 sales, installations, SERVICE, MAINTENANCE, and operations; to  
6 establish minimum qualifications for individuals as well as pri-  
7 vate agencies engaged in ~~private~~ THE security ~~work~~ BUSINESS  
8 and SECURITY alarm systems and operations; and to prescribe the  
9 powers and duties of the department of state police.

10       Sec. 1. This act shall be known and may be cited as the  
11 "private security ~~guard~~ BUSINESS AND SECURITY ALARM act". ~~of~~  
12 ~~1968~~".

13       Sec. 2. (1) As used in this act:

14       ~~(a) "Alarm system" means a detection device or an assembly~~  
15 ~~of equipment and devices arranged to signal the presence of a~~  
16 ~~hazard requiring urgent attention or to which police are expected~~  
17 ~~to respond. A fire alarm system or an alarm system which moni-~~  
18 ~~tors temperature, humidity, or other condition not directly~~  
19 ~~related to the detection of an unauthorized intrusion into a~~  
20 ~~premises or an attempted robbery at a premises is excluded from~~  
21 ~~the provisions of this act.~~

22       ~~(b) "Alarm system agent" means a person employed by an alarm~~  
23 ~~system contractor whose duties include the altering, installing,~~  
24 ~~maintaining, moving, repairing, replacing, selling, servicing,~~  
25 ~~responding to, or causing others to respond to an alarm system.~~

26       ~~(c) "Alarm system contractor" means a person, firm, company,~~  
27 ~~partnership, or corporation engaged in the installation,~~

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1 maintenance, alteration, or servicing of alarm systems or who  
2 responds to an alarm system. ~~"Alarm system contractor" shall not~~  
3 ~~include a business which only sells or manufactures alarm systems~~  
4 ~~unless the business services alarm systems, installs alarm sys-~~  
5 ~~tems, or monitors or responds to alarm systems at the protected~~  
6 ~~premises.~~

7       ~~(d) "Business of alarm system contractor, private police,~~  
8 ~~special police, watchmen, patrol service, private security~~  
9 ~~guards, security technicians and private security guard agencies"~~  
10 ~~means a person, firm, company, partnership, or corporation~~  
11 ~~engaged in the furnishing of such service, or performed by per-~~  
12 ~~sons as defined in subdivisions (g) and (h) and subsection (2),~~  
13 ~~with or without the assistance of an employee or employees.~~

14       ~~(A) (e) "Department" means the department of state~~  
15 ~~police.~~

16       ~~(B) (f) "Licensee" means a person, firm, company, partner-~~  
17 ~~ship, or corporation licensed under the provisions of this~~  
18 ~~act.~~

19       ~~(g) "Private police, special police, watchmen, patrol serv-~~  
20 ~~ice agencies, private security guards and private security guard~~  
21 ~~agencies" means, separately or collectively, as an individual or~~  
22 ~~an employer of employees in the business of furnishing, for hire,~~  
23 ~~fee or reward, private police, special police, watchmen, patrol~~  
24 ~~service, private security guards, or other persons hired to pre-~~  
25 ~~vent the theft or the misappropriation or concealment of goods,~~  
26 ~~wares or merchandise, money, bonds, stocks, notes, choses in~~

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1 ~~action or other valuable documents, papers and articles of~~  
2 ~~value.~~

3 ~~(h) "Private police or special police or security guards or~~  
4 ~~watchmen" employed by investment, financial concerns, or other~~  
5 ~~business firms, not including banks or savings and loan associa-~~  
6 ~~tions, whose duties require their employees as designated above,~~  
7 ~~to proceed from 1 point to another, including convoy activity for~~  
8 ~~protection of choses in action or other designated reasons, and~~  
9 ~~in so doing travel on public property, shall be included under~~  
10 ~~this act.~~

11 (C) "PRIVATE SECURITY GUARD" MEANS AN INDIVIDUAL OR AN  
12 EMPLOYEE OF AN EMPLOYER WHO OFFERS, FOR HIRE, TO PROVIDE PROTEC-  
13 TION OF PERSONS AND PROPERTY ON THE PREMISES OF ANOTHER.

14 (D) "PRIVATE SECURITY POLICE" MEANS THAT PART OF A BUSINESS  
15 ORGANIZATION PRIMARILY RESPONSIBLE FOR THE PROTECTION OF PROPERTY  
16 AND PERSONS ON THE PREMISES OF THE BUSINESS ORGANIZATION.

17 (E) "SECURITY ALARM SYSTEM" MEANS A DETECTION DEVICE OR AN  
18 ASSEMBLY OF EQUIPMENT AND DEVICES ARRANGED TO SIGNAL THE PRESENCE  
19 OF A HAZARD REQUIRING URGENT ATTENTION OR TO WHICH POLICE ARE  
20 EXPECTED TO RESPOND. SECURITY ALARM SYSTEM INCLUDES ANY SYSTEM  
21 THAT CAN ELECTRONICALLY CAUSE AN EXPECTED RESPONSE BY A LAW  
22 ENFORCEMENT AGENCY TO A PREMISES BY MEANS OF THE ACTIVATION OF AN  
23 AUDIBLE SIGNAL, VISIBLE SIGNAL, ELECTRONIC NOTIFICATION, OR VIDEO  
24 SIGNAL, OR ANY COMBINATION OF THESE SIGNALS, TO A REMOTE MONITOR-  
25 ING LOCATION ON OR OFF THE PREMISES. SECURITY ALARM SYSTEM DOES  
26 NOT INCLUDE A VIDEO SIGNAL THAT IS NOT TRANSMITTED OVER A PUBLIC  
27 COMMUNICATION SYSTEM OR A FIRE ALARM SYSTEM OR AN ALARM SYSTEM

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1 THAT MONITORS TEMPERATURE, HUMIDITY, OR OTHER CONDITION NOT  
2 DIRECTLY RELATED TO THE DETECTION OF AN UNAUTHORIZED INTRUSION  
3 INTO A PREMISES OR AN ATTEMPTED ROBBERY AT A PREMISES.

4 (F) "SECURITY ALARM SYSTEM AGENT" MEANS A PERSON EMPLOYED BY  
5 A SECURITY ALARM SYSTEM CONTRACTOR WHOSE DUTIES INCLUDE THE  
6 ALTERING, INSTALLING, MAINTAINING, MOVING, REPAIRING, REPLACING,  
7 SELLING, SERVICING, MONITORING, RESPONDING TO, OR CAUSING OTHERS  
8 TO RESPOND TO A SECURITY ALARM SYSTEM.

9 (G) "SECURITY ALARM SYSTEM CONTRACTOR" MEANS A PERSON, FIRM,  
10 COMPANY, PARTNERSHIP, OR CORPORATION ENGAGED IN THE INSTALLATION,  
11 MAINTENANCE, ALTERATION, MONITORING, OR SERVICING OF SECURITY  
12 ALARM SYSTEMS OR WHO RESPONDS TO A SECURITY ALARM SYSTEM.  
13 SECURITY ALARM SYSTEM CONTRACTOR DOES NOT INCLUDE A BUSINESS THAT  
14 ONLY SELLS OR MANUFACTURES SECURITY ALARM SYSTEMS UNLESS THE  
15 BUSINESS SERVICES SECURITY ALARM SYSTEMS, INSTALLS SECURITY ALARM  
16 SYSTEMS, MONITORS OR ARRANGES FOR THE MONITORING OF A SECURITY  
17 ALARM SYSTEM, OR RESPONDS TO SECURITY ALARM SYSTEMS AT THE PRO-  
18 TECTED PREMISES.

19 (H) "SECURITY BUSINESS" MEANS A PERSON OR BUSINESS ENTITY  
20 ENGAGED IN OFFERING, ARRANGING, OR PROVIDING 1 OR MORE OF THE  
21 FOLLOWING SERVICES:

22 (i) SECURITY ALARM SYSTEM INSTALLATION, SERVICE, MAINTENANCE,  
23 ALTERATION, OR MONITORING.

24 (ii) PRIVATE SECURITY GUARD.

25 (iii) PRIVATE SECURITY POLICE.

26 (2) All businesses furnishing SECURITY alarm systems for the  
27 protection of persons and property, whose employees and security

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1 technicians travel on public property and thoroughfares in the  
2 pursuit of their duties, ~~shall be included under~~ ARE SUBJECT TO  
3 this act. ~~, except this shall not include a~~

4 (3) A communications common carrier providing communications  
5 channels under tariffs for the transmission of signals in connec-  
6 tion with an alarm system IS NOT SUBJECT TO THIS ACT.

7 (4) ~~(3)~~ Railroad policemen appointed and commissioned  
8 under the ~~provisions of Act No. 114 of the Public Acts of 1941,~~  
9 ~~as amended, being sections 470.51 to 470.61 of the Michigan~~  
10 ~~Compiled Laws~~ RAILROAD CODE OF 1993, 1993 PA 354, MCL 462.101 TO  
11 462.451, are exempt from ~~the provisions of~~ this act.

12 Sec. 3. (1) Unless licensed ~~pursuant to~~ UNDER this act, a  
13 person, firm, company, partnership, or corporation shall not  
14 engage in the business of SECURITY alarm system contractor,  
15 ~~alarm system agent,~~ private security guard, private SECURITY  
16 police, ~~special police,~~ patrol service, or an agency furnishing  
17 those services. ~~, notwithstanding the name or title used in~~  
18 ~~describing the agency and notwithstanding that other functions~~  
19 ~~and services may also be performed for fee, hire, or reward.~~ A  
20 person, firm, company, partnership, or corporation shall not  
21 advertise ~~the~~ ITS business to be that of SECURITY alarm system  
22 contractor, SECURITY alarm system agent, private security guard  
23 agency, or an agency furnishing those services without having  
24 first obtained from the department a license to do so ~~, as pro-~~  
25 ~~vided in this act,~~ for each ~~bureau, agency, subagency,~~ office  
26 ~~,~~ and branch office to be owned, conducted, managed, or  
27 maintained for the conduct of that business. ~~A person who~~

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1 ~~violates this section is guilty of a misdemeanor, punishable by~~  
2 ~~imprisonment for not more than 90 days, or by a fine of not more~~  
3 ~~than \$1,000.00, or both.~~

4 (2) A person shall not sell, install, operate, adjust,  
5 arrange for, or contract to provide a device which upon activa-  
6 tion, either mechanically, electronically, or by any other means,  
7 initiates the automatic calling or dialing of, or makes a connec-  
8 tion directly to, a telephone assigned to a public service, util-  
9 ity, or police agency, for the purpose of delivering a recorded  
10 message, without first receiving written permission from that  
11 service, utility, or agency.

12 (3) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A FELONY  
13 PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 4 YEARS, BY A FINE  
14 OF NOT MORE THAN \$1,000.00, OR BOTH.

15 Sec. 4. The department ~~shall have the power to~~ MAY issue  
16 separate licenses to SECURITY alarm system contractors, ~~alarm~~  
17 ~~system agents,~~ private SECURITY police, ~~special police, patrol~~  
18 ~~services,~~ and ~~to~~ private security guard agencies. ~~Nothing in~~  
19 ~~this section shall prevent a private detective or private inves-~~  
20 ~~tigator licensed under the laws of this state from performing the~~  
21 ~~services of private security guard or agency as defined under~~  
22 ~~this act and the license fee shall include both services. A pri-~~  
23 ~~vate security guard or agency may not perform the services of a~~  
24 ~~private detective or private investigator as defined in Act~~  
25 ~~No. 285 of the Public Acts of 1965, as amended, being sections~~  
26 ~~338.821 to 338.851 of the Michigan Compiled Laws, without~~  
27 ~~obtaining a detective license so to do.~~

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1       Sec. 6. (1) The department shall issue a license to conduct  
2 business as ~~an~~ A SECURITY alarm system contractor or a private  
3 security guard, ~~or agency~~ PRIVATE SECURITY POLICE, OR TO A PRI-  
4 VATE SECURITY GUARD BUSINESS, if it is satisfied that the appli-  
5 cant is a person, or if a firm, partnership, company, or corpora-  
6 tion the sole or principal license holder is a person, who meets  
7 all of the following qualifications:

8       ~~(a) Is a citizen of the United States.~~

9       (A) ~~(b)~~ Is not less than 25 years of age.

10       (B) ~~(c)~~ Has a high school education or its equivalent.

11       ~~(d) Is currently, and has been for not less than 1 year, a~~  
12 ~~resident of this state.~~

13       (C) ~~(e)~~ Has not been under any sentence, including parole,  
14 probation, or actual incarceration, for the commission of a  
15 felony. ~~within 5 years before the date of application.~~

16       (D) HAS NOT BEEN CONVICTED OF AN OFFENSE LISTED IN  
17 SECTION 10(1)(C) WITHIN 5 YEARS BEFORE THE DATE OF APPLICATION.

18       (E) ~~(f)~~ Has not been dishonorably discharged from a branch  
19 of the United States military service.

20       (F) ~~(g)~~ In the case of an applicant for a private security  
21 guard or agency license, has been lawfully engaged in 1 or more  
22 of the following:

23       (i) In the private security guard or agency business on his  
24 or her own account for a period of not less than 3 years.

25       (ii) In the private security guard or agency business for a  
26 period of not less than ~~3~~ 4 years as an employee of the holder  
27 of a certificate of authority to conduct a private security guard



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1 or agency business ~~—,~~ and has had experience reasonably  
2 equivalent to not less than 4 years of full-time guard work in a  
3 supervisory capacity with rank above that of patrolman.

4 (iii) In law enforcement employment on a full-time basis for  
5 not less than 4 years for a city, county, or state government, or  
6 for the United States government.

7 (iv) In the private security guard or agency business as an  
8 employee or on his or her own account or as a security adminis-  
9 trator in private business for not less than 2 years on a  
10 full-time basis, and is a graduate WITH A BACCALAUREATE DEGREE or  
11 its equivalent in the field of police administration or indus-  
12 trial security from an accredited college or university.

13 (G) ~~(h)~~ In the case of an applicant for ~~an~~ A SECURITY  
14 alarm system contractor license, has been lawfully engaged in  
15 either or both of the following:

16 (i) The SECURITY alarm system contractor business on his or  
17 her own account for a period of not less than 3 years.

18 (ii) The SECURITY alarm system contractor business for a  
19 period of not less than ~~3~~ 4 years as an employee of the holder  
20 of a certificate of authority to conduct ~~an~~ A SECURITY alarm  
21 system contractor business, and has had experience reasonably  
22 equivalent to at least 4 years of full-time work in a supervisory  
23 capacity or passes a written exam administered by the department  
24 designed to measure his or her knowledge and training in SECURITY  
25 alarm systems.

26 (H) ~~(j)~~ Has posted with the department a bond provided for  
27 in this act.

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1 (I) ~~(k)~~ Has not been adjudged insane ~~,~~ unless restored  
2 to sanity by court order.

3 (J) ~~(t)~~ Does not have any outstanding warrants for his or  
4 her arrest.

5 (2) In the case of a person, firm, partnership, company, or  
6 corporation now doing or seeking to do business in this state,  
7 the resident manager shall comply with the applicable qualifica-  
8 tions of this section.

9 Sec. 7. (1) The department shall prepare a uniform applica-  
10 tion for the particular license ~~,~~ and shall require the person  
11 filing application to list as references at least 5 reputable  
12 citizens who are residents of this state who have known the  
13 ~~application~~ APPLICANT for a period of at least 5 years, who can  
14 attest that the applicant is honest, of good character, and com-  
15 petent, and who are not related or connected to the applicant by  
16 blood or marriage.

17 (2) Upon receipt of the application, the department shall  
18 investigate the applicant's reputation for truth, honesty, integ-  
19 rity and ethical dealing.

20 (3) The application and investigation ~~shall~~ IS not ~~be~~  
21 CONSIDERED complete until the applicant has received the approval  
22 of the prosecuting attorney and the sheriff of the county IN THIS  
23 STATE within which the principal office of the applicant is to be  
24 located. If the office is to be located in a city, TOWNSHIP, or  
25 village, the approval of the chief of police may be obtained  
26 instead of the sheriff. Branch offices and branch managers shall  
27 be similarly approved.

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1 (4) IF A PERSON HAS NOT PREVIOUSLY BEEN DENIED A LICENSE OR  
2 HAS NOT HAD A PREVIOUS LICENSE SUSPENDED OR REVOKED, THE DEPART-  
3 MENT MAY ISSUE A NONRENEWABLE TEMPORARY LICENSE TO AN APPLICANT.  
4 IF APPROVED BY THE DEPARTMENT, THE TEMPORARY LICENSE IS VALID  
5 UNTIL 1 OR MORE OF THE FOLLOWING OCCUR BUT NOT TO EXCEED 120  
6 DAYS:

7 (A) THE COMPLETION OF THE INVESTIGATIONS AND APPROVALS  
8 REQUIRED UNDER SUBSECTIONS (1), (2), AND (3).

9 (B) THE COMPLETION OF THE INVESTIGATION OF THE SUBJECT  
10 MATTER ADDRESSED IN SECTION 6.

11 (C) THE COMPLETION OF THE INVESTIGATION OF ANY EMPLOYEES OF  
12 THE LICENSEE AS FURTHER DESCRIBED IN SECTION 17.

13 (D) CONFIRMATION OF COMPLIANCE WITH THE BONDING OR INSURANCE  
14 REQUIREMENTS IMPOSED IN SECTION 9.

15 (E) THE APPLICANT FAILS TO MEET 1 OR MORE OF THE REQUIRE-  
16 MENTS FOR LICENSURE IMPOSED UNDER THIS ACT.

17 (5) THE FEES FOR A TEMPORARY LICENSE SHALL BE THE APPLICABLE  
18 FEES AS DESCRIBED IN SECTION 9.

19 ~~Sec. 8. If the applicant is a corporation, the application~~  
20 ~~shall be signed and verified by the president, secretary and~~  
21 ~~treasurer thereof, and shall specify the name of the corporation,~~  
22 ~~the date and place of its incorporation, the location of its~~  
23 ~~principal place of business, and the name of the city, as well as~~  
24 ~~indicate the location of the bureau, agency, subagency, office or~~  
25 ~~branch office for which the license is desired, the amount of the~~  
26 ~~corporation's outstanding paid-up capital and stock, and whether~~  
27 ~~paid in cash or property, and if in property, the nature of the~~

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1 ~~same, and shall be accompanied by a duly certified copy of a~~  
2 ~~certificate of incorporation.~~

3 ~~Each person or individual signing an application shall,~~  
4 ~~together with such application, submit to the department his pho-~~  
5 ~~tograph, taken within 6 months prior thereto in duplicate, in~~  
6 ~~passport size.~~

7 (1) EACH APPLICANT SHALL SIGN AND VERIFY THE APPLICATION.  
8 EACH APPLICATION SHALL CONTAIN AT LEAST ALL OF THE FOLLOWING:

9 (A) THE NAME AND PRINCIPAL ADDRESS WHERE THE INDIVIDUAL OR  
10 BUSINESS ENTITY IS LOCATED IN THIS STATE.

11 (B) THE ADDRESS AND LOCATION OF ANY BRANCH OFFICE OF THE  
12 BUSINESS.

13 (C) THE CERTIFICATE OF INCORPORATION OF THE BUSINESS, IF  
14 APPLICABLE.

15 (2) EACH APPLICANT SHALL SUBMIT 2 PASSPORT QUALITY PHOTO-  
16 GRAPHS OF THE APPLICANT WITH THE APPLICATION. IF THE APPLICANT  
17 IS A BUSINESS ENTITY, THE RESIDENT MANAGER OF THE BUSINESS SHALL  
18 SUBMIT 2 PASSPORT QUALITY PHOTOGRAPHS OF HIMSELF OR HERSELF.

19 Sec. 9. (1) The department, when satisfied of the good  
20 character, competence, and integrity of the applicant, or if the  
21 applicant is a firm, company, partnership, or corporation, of  
22 ~~the~~ ITS individual members or officers, ~~thereof,~~ shall issue  
23 to the applicant a certificate of license upon the applicant's  
24 paying to the department for each certificate of license \$200.00  
25 if a person, or \$300.00 if a private security guard firm, com-  
26 pany, partnership, or corporation, or \$500.00 if ~~an~~ A SECURITY  
27 alarm system contractor, and upon the applicant's executing,

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1 delivering, and filing ~~in the office of~~ WITH the department a  
2 bond in the sum of ~~-\$5,000.00~~ \$25,000.00. ~~if a person, or~~  
3 ~~\$10,000 if a private security guard firm, company, partnership,~~  
4 ~~or corporation or an alarm system contractor.~~ The bond shall be  
5 conditioned upon the faithful and honest conduct of the business  
6 by the applicant ~~—~~, and shall be approved by the ~~state~~  
7 DEPARTMENT. In lieu of a bond, the applicant may furnish a  
8 policy of insurance issued by an insurer authorized to do busi-  
9 ness in this state ~~—~~, naming the licensee and the state as coin-  
10 sureds in the amount of ~~-\$20,000.00~~ \$25,000.00 for property dam-  
11 ages, \$100,000.00 for injury to or death of 1 person, and  
12 \$200,000.00 for injuries to or deaths of more than 1 person aris-  
13 ing out of the operation of the licensed activity. The license  
14 ~~shall be~~ IS valid for 2 years ~~—~~, but ~~shall be revokable~~ IS  
15 REVOCABLE at all times by the department for cause shown. The  
16 bonds shall be taken in the name of the people of the state ~~—~~,  
17 and a person injured by the ~~wilful~~ WILLFUL, malicious, and  
18 wrongful act of the licensee or any of his OR HER agents or  
19 employees may bring an action on the bond or insurance policy in  
20 his OR HER own name to recover damages suffered by reason of the  
21 WRONGFUL act. The license certificate shall be in a form to be  
22 prescribed by the department. ~~and shall specify the full name of~~  
23 ~~the applicant, the location of the principal office or place of~~  
24 ~~business and the location of the bureau, agency, subagency,~~  
25 ~~office, or branch office for which the license is issued, the~~  
26 ~~date on which it will expire, and the name of the person filing~~  
27 ~~the application.~~

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1 (2) If a licensee desires to open a branch office, ~~or~~  
2 ~~subagency,~~ he OR SHE may receive a certificate of license for  
3 that branch ~~or subagency~~ following approval as required in sec-  
4 tion 7 and payment to the department of an additional fee of  
5 \$50.00 for each private security guard branch office license and  
6 \$100.00 for each SECURITY alarm system contractor branch office  
7 license. The additional license shall be posted in a conspicuous  
8 place in the branch office ~~or subagency~~ and shall expire  
9 ~~concurrent with the~~ ON THE SAME date ~~of~~ AS the initial  
10 license.

11 (3) THE DEPARTMENT SHALL CHARGE AN ADDITIONAL FEE OF \$25.00  
12 FOR A LATE RENEWAL AS FURTHER DESCRIBED IN SECTION 25.

13 (4) ~~(3)~~ If the license is DENIED, revoked, or ~~terminated~~  
14 SUSPENDED for cause, no refund shall be made of the license fees  
15 or a part thereof.

16 Sec. 10. (1) The department may revoke any license issued  
17 under this act if it determines, upon good cause shown, that the  
18 licensee or his or her manager, if THE LICENSEE IS an individual,  
19 or if the licensee is a person other than an individual, that any  
20 of its officers, directors, partners or its manager, has done any  
21 of the following:

22 (a) Made any false statements or given any false information  
23 in connection with an application for a license or a renewal or  
24 reinstatement of a license.

25 (b) Violated any provision of this act.

26 (c) Been, while licensed or employed by a licensee,  
27 convicted of ~~, or has knowingly continued the employment of any~~

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~~1 individual convicted of, a felony, misdemeanor punishable by more  
2 than 1 year of imprisonment, or any crime or crimes involving  
3 moral turpitude, dishonesty or fraud, unauthorized divulging or  
4 selling of information or evidence, impersonation of a law  
5 enforcement officer or employee of the United States or any state  
6 or political subdivision of the United States, illegally using,  
7 carrying or possessing a dangerous weapon, habitual drunkenness,  
8 using, selling or possessing narcotics, or illegally using an  
9 excessive and unnecessary degree of force. A FELONY OR A MISDE-  
10 MEANOR INVOLVING ANY OF THE FOLLOWING:~~

11       (i) DISHONESTY OR FRAUD.

12       (ii) UNAUTHORIZED DIVULGING OR SELLING OF INFORMATION OR  
13 EVIDENCE.

14       (iii) IMPERSONATION OF A LAW ENFORCEMENT OFFICER OR EMPLOYEE  
15 OF THE UNITED STATES, THIS STATE, OR A POLITICAL SUBDIVISION OF  
16 THIS STATE.

17       (iv) ILLEGALLY USING, CARRYING, OR POSSESSING A DANGEROUS  
18 WEAPON.

19       (v) TWO OR MORE ALCOHOL RELATED OFFENSES.

20       (vi) CONTROLLED SUBSTANCES UNDER THE PUBLIC HEALTH CODE,  
21 1978 PA 368, MCL 333.1101 TO 333.25211.

22       (vii) AN ASSAULT.

23       (d) Knowingly submitted any of the following:

24       (i) A name other than the true name of a prospective  
25 employee.

26       (ii) Fingerprints not belonging to the prospective  
27 employee.

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1       (iii) False identifying information in connection with the  
2 application of a prospective employee.

3       (2) The department shall not renew a license of a licensee  
4 who ~~fails to pay any fines or fees due and owing~~ OWES ANY FINE  
5 OR FEE to the department at the time ~~of~~ FOR A renewal.

6       (3) ~~Upon notification from the department of the revocation~~  
7 ~~of the license, the licensee, within 48 hours after notification,~~  
8 ~~shall surrender to the department the certificate of license and~~  
9 ~~his or her identification card. In addition to the penalties~~  
10 ~~provided for in section 32, failure to surrender a certificate of~~  
11 ~~license or identification card to the department is~~ WITHIN 48  
12 HOURS AFTER NOTIFICATION FROM THE DEPARTMENT OF THE REVOCATION OF  
13 A LICENSE UNDER THIS ACT, THE LICENSEE SHALL SURRENDER THE  
14 LICENSE AND THE IDENTIFICATION CARD ISSUED UNDER SECTION 14. A  
15 PERSON WHO VIOLATES THIS SUBSECTION IS GUILTY OF a misdemeanor  
16 PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 93 DAYS OR A FINE OF  
17 NOT MORE THAN \$500.00, OR BOTH.

18       Sec. 11. ~~A~~ THE DEPARTMENT SHALL NOT REFUND A license OR  
19 APPLICATION fee ~~shall not be refunded~~ unless a showing is made  
20 of ~~ineligibility to receive the license by failure to meet the~~  
21 ~~requirements of this act, or by a showing of~~ mistake,  
22 inadvertence, or error in the collection of the fee.

23       Sec. 14. (1) Upon issuing a certificate of license, the  
24 department shall issue an identification card to the principal  
25 license holder, and if the ~~agency is~~ LICENSEE IS A PARTNER IN a  
26 partnership to each partner, and if the license holder is a



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1 corporation to each resident officer or manager ~~thereof~~ BUT  
2 ONLY IF REQUESTED BY A RESIDENT OFFICER OR MANAGER.

3 (2) The form and contents of the identification card shall  
4 be prescribed by the department, and the card shall be  
5 ~~recallable~~ RECALLED by the department ~~for cause~~ IF THE  
6 PERSON'S LICENSE IS REVOKED.

7 (3) Only 1 identification card shall be issued for each  
8 person entitled to receive it, and the licensee shall be respon-  
9 sible for the maintenance, custody, and control of the identifi-  
10 cation card, and shall ~~neither~~ NOT let, loan, sell, ~~nor~~ OR  
11 otherwise permit unauthorized persons or employees to use it.  
12 ~~Nothing in this~~ THIS section ~~shall be construed to~~ DOES NOT  
13 prevent an agency from issuing its own identification cards to  
14 ~~their~~ ITS employees if they are approved as to form and content  
15 by the department. The individual card shall not bear the seal  
16 of the state, but the employee shall be designated as either  
17 SECURITY alarm system agent, private SECURITY police OFFICER,  
18 security guard, ~~watchman, patrolman,~~ or security technician.  
19 (4) THE DEPARTMENT MAY SUSPEND A LICENSE ISSUED UNDER THIS  
20 ACT IF THE LICENSEE FAILS TO COMPLY WITH ANY OF THE REQUIREMENTS  
21 OF THIS ACT. UNLESS A LICENSE IS REQUIRED TO BE REVOKED FOR A  
22 VIOLATION OF THIS ACT, THE DEPARTMENT SHALL REINSTATE A SUSPENDED  
23 LICENSE UPON THE LICENSEE COMPLYING WITH THIS ACT AND THE  
24 LICENSEE PAYING A \$100.00 REINSTATEMENT FEE.

25 (5) ~~(4)~~ Upon proper application and for sufficient reasons  
26 shown, the department may issue duplicates of the original  
27 certificate of license or identification card.

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1       Sec. 17. (1) A licensee may employ as many persons as he or  
2 she considers necessary to assist him or her in his or her work  
3 of SECURITY alarm system contractor, PRIVATE SECURITY POLICE, or  
4 private security guard ~~or agency~~ and in the conduct of his or  
5 her business, and at all times during the employment ~~may be~~ IS  
6 accountable for the good conduct in the business of each person  
7 so employed.

8       (2) Employees shall meet the qualifications outlined in sec-  
9 tion ~~6(1)(a), (e), (f), (k), and (l)~~ 6(1)(C), (D), (I), AND  
10 (J), be at least 18 years of age, and have had at least an eighth  
11 grade education or its equivalent.

12       (3) A licensee shall keep AND MAINTAIN IN THIS STATE ade-  
13 quate and complete personnel information on all persons employed  
14 by him or her.

15       (4) If a licensee falsely states or represents that a person  
16 is or has been in his or her employ, the false statement or rep-  
17 resentation is sufficient cause for the revocation of the  
18 license. ~~A person falsely stating or representing that he or~~  
19 ~~she is or has been a licensed alarm system contractor or private~~  
20 ~~security guard or agency or employed by a holder of a license is~~  
21 ~~guilty of a misdemeanor.~~

22       (5) A PERSON SHALL NOT FALSELY STATE OR REPRESENT THAT HE OR  
23 SHE IS AN AGENT OF A LICENSED SECURITY ALARM SYSTEM CONTRACTOR,  
24 PRIVATE SECURITY POLICE OFFICER, OR PRIVATE SECURITY GUARD. A  
25 PERSON WHO VIOLATES THIS SUBSECTION IS GUILTY OF A MISDEMEANOR  
26 PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 93 DAYS OR A FINE OF  
27 NOT MORE THAN \$500.00, OR BOTH.

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1       Sec. 18. (1) A licensee shall not knowingly employ any  
2 person who fails to meet the requirements of section 17.

3       (2) The licensee shall cause fingerprints to be taken of all  
4 prospective employees, which fingerprints shall be submitted to  
5 the department for processing and approval.

6       (3) The fingerprints required to be taken under  
7 subsection (2) may be taken by a law enforcement agency or any  
8 other person determined by the department to be qualified to take  
9 fingerprints. The department may charge a fee not to exceed  
10 \$100.00 for training. The licensee shall submit a 1-time \$15.00  
11 processing fee for each person applying for employment at that  
12 agency. If a licensee takes the fingerprints, that licensee  
13 shall obtain training in taking fingerprints from the department  
14 or a law enforcement agency or other person determined qualified  
15 by the department. The department may impose a fee not to exceed  
16 \$5.00 for fingerprints submitted to the department that do not  
17 meet standards imposed by the department.

18       (4) A charge not to exceed \$15.00 per person may be required  
19 by the local law enforcement agency for the fingerprint process.

20       (5) A licensee shall request the department to conduct a  
21 background check of each prospective employee based upon a name  
22 check. THE LICENSEE SHALL OBTAIN A COMPLETE AND SIGNED EMPLOY-  
23 MENT APPLICATION FOR ALL INDIVIDUALS FOR WHOM A NAME CHECK IS  
24 REQUESTED AND CONDUCTED. THE EMPLOYMENT APPLICATION SHALL BE  
25 RETAINED FOR AT LEAST 1 YEAR FROM THE DATE OF ITS SUBMISSION. The  
26 department shall conduct the background check upon a written or  
27 telephonic request of a licensee accompanied by a fee of \$5.00.

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1 The background check shall be conducted not later than 3 days  
2 after the date a written request is made and not later than 24  
3 hours after a telephonic request is made. Provisional clearance  
4 based on the name check shall allow the employee to be employed,  
5 for a period of time not to exceed 90 days, pending final clear-  
6 ance based upon a fingerprint check. If an approval is once  
7 denied, that individual may not again be employed by the submit-  
8 ting licensee except upon receipt of an approved fingerprint  
9 clearance. A LICENSEE OR EMPLOYEE OF A LICENSEE WHO USES A NAME  
10 CHECK OR RESULTS OF A NAME CHECK FOR PURPOSES OTHER THAN PROSPEC-  
11 TIVE EMPLOYMENT IS GUILTY OF A MISDEMEANOR PUNISHABLE BY IMPRIS-  
12 ONMENT FOR NOT MORE THAN 93 DAYS, A FINE OF NOT MORE THAN  
13 \$1,000.00, OR BOTH.

14 (6) The department may enter into an agreement with a  
15 licensee for the payment of fees imposed pursuant to this act.

16 (7) Any employee who, upon demand, fails to surrender to the  
17 licensee his or her identification card and any other property  
18 issued to him or her for use in connection with his or her  
19 employer's business is guilty of a misdemeanor.

20 Sec. 19. (1) The particular type of uniform and insignia  
21 worn by a licensee or his OR HER employees ~~—~~ must be approved  
22 by the department and shall not deceive or confuse the public or  
23 be identical with that of a law enforcement officer of the fed-  
24 eral government, state, or a political subdivision ~~thereof~~ OF  
25 THE STATE in the community of the license holder. Shoulder iden-  
26 tification patches shall be worn on all uniform jackets, coats,  
27 and shirts and shall include the name of the licensee or agency.

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1 Shoulder identification patches or emblems shall not be less than  
2 ~~2~~ 3 inches by ~~3~~ 5 inches in size, HALF-MOON SHAPE, AND RED  
3 AND WHITE IN COLOR. UPON REQUEST, THE DEPARTMENT MAY APPROVE  
4 DIFFERENT COLORS FOR PRIVATE SECURITY POLICE. A PATCH SHALL BE  
5 WORN ON THE RIGHT BREAST WITH THE WORDS "SECURITY GUARD" OR  
6 "SECURITY TECHNICIAN", AS APPROPRIATE.

7 (2) A badge or shield shall not be worn or carried by ~~an~~ A  
8 SECURITY alarm system agent, private ~~policeman, special police=~~  
9 ~~man, watchman~~ SECURITY POLICE OFFICER, or employee, or licensee  
10 of ~~an~~ A SECURITY alarm system contractor, ~~patrol service~~  
11 ~~agency~~ PRIVATE SECURITY POLICE ORGANIZATION, or private security  
12 guard agency, unless approved by the director of the department.  
13 ~~of state police.~~

14 (3) A PERSON SHALL NOT WEAR OR DISPLAY A BADGE OR SHIELD  
15 UNLESS THE PERSON IS ON DUTY AS AN EMPLOYEE OF THE LICENSEE OR  
16 WHILE GOING TO AND FROM HIS OR HER PLACE OF EMPLOYMENT AND HIS OR  
17 HER RESIDENCE.

18 (4) A PERSON WHO IS NOT EMPLOYED AS A SECURITY GUARD SHALL  
19 NOT DISPLAY A BADGE OR SHIELD OR WEAR A UNIFORM OF A SECURITY  
20 GUARD. A PERSON WHO VIOLATES THIS SUBSECTION IS GUILTY OF A MIS-  
21 DEMEANOR PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 93 DAYS OR  
22 A FINE OF NOT MORE THAN \$500.00, OR BOTH.

23 (5) ~~(3)~~ A person licensed as ~~an~~ A SECURITY alarm system  
24 contractor, SECURITY alarm system agent, or a private security  
25 guard or agency is not authorized to carry a deadly weapon unless  
26 he OR SHE is licensed to do so in accordance with the laws of  
27 this state.

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1       (6) ~~(4) Nothing in this~~ THIS act ~~will~~ DOES NOT prevent a  
2 licensee from authorizing his OR HER employee to carry a ~~night~~  
3 ~~stick constructed solely of wood~~ TACTICAL BATON THAT IS COMMER-  
4 CIALY AVAILABLE.

5       Sec. 22. (1) Every advertisement by a licensee soliciting  
6 or advertising for business shall contain his OR HER business  
7 name and address as they appear in the records of the  
8 department.

9       (2) ~~Any~~ A licensee shall, ~~on~~ UPON notice from AND ORDER  
10 OF the department, discontinue any advertising or the use of any  
11 advertisement, seal, or card ~~, which~~ THAT, in the opinion of  
12 the department, may tend to mislead the public. Failure to  
13 comply with any such order of the department ~~shall be~~ IS cause  
14 for revocation OR SUSPENSION of the license. ~~of such licensee.~~

15       (3) ~~Any~~ A person ~~who is~~ not licensed under this act ~~,~~  
16 who advertises his OR HER business to be that of a private secur-  
17 ity guard or SECURITY ALARM agency, irrespective of the name or  
18 title actually used, is guilty of a misdemeanor PUNISHABLE BY  
19 IMPRISONMENT FOR NOT MORE THAN 93 DAYS, A FINE OF NOT MORE THAN  
20 \$1,000.00, OR BOTH.

21       Sec. 25. (1) A license granted under ~~the provisions of~~  
22 this act may be renewed by the department upon application  
23 ~~thereof~~ by the licensee ~~,~~ and the payment of a renewal fee of  
24 \$100.00 if ~~a person~~ AN INDIVIDUAL, \$150.00 if a private secur-  
25 ity guard firm, company, partnership, or corporation, or \$250.00  
26 if ~~an~~ A SECURITY alarm system contractor, and filing of a

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1 renewal surety bond in the amount ~~equivalent to that~~ specified  
2 in section 9. ~~of this act.~~

3 (2) A renewal license shall be dated as of the expiration  
4 date of the previously existing license. For the renewal of a  
5 license, the licensee shall submit an application in such form  
6 ~~as prescribed~~ PROVIDED by the department. ~~, and a license~~  
7 ~~shall be issued forthwith, except that the~~ THE department may  
8 defer the renewal of license if there ~~are~~ IS AN uninvestigated  
9 ~~complaints then~~ outstanding ~~against the licensee or if there~~  
10 ~~is~~ ADMINISTRATIVE COMPLAINT OR a criminal complaint ~~then~~ pend-  
11 ing against the licensee OR A CRIMINAL CASE PENDING IN ANY COURT  
12 AGAINST THE LICENSEE.

13 (3) The renewal application ~~shall~~ MUST be approved by the  
14 sheriff or chief of police and the prosecuting attorney, as  
15 required for an initial license.

16 (4) A PERSON WHO FAILS TO RENEW A LICENSE ON OR BEFORE THE  
17 EXPIRATION DATE SHALL NOT ENGAGE IN ACTIVITIES REGULATED BY THIS  
18 ACT. A PERSON WHO FAILS TO RENEW A LICENSE ON OR BEFORE THE  
19 EXPIRATION DATE MAY, WITHIN 30 DAYS AFTER THE EXPIRATION DATE,  
20 RENEW THE LICENSE BY PAYMENT OF THE REQUIRED LICENSE FEE AND A  
21 LATE RENEWAL FEE AS PRESCRIBED BY SECTION 9. AN APPLICANT WHO  
22 FAILS TO RENEW WITHIN THE 30-DAY PERIOD MUST REAPPLY FOR A  
23 LICENSE UNDER SECTION 7.

24 Sec. 29. This act shall not require licensing of any pri-  
25 vate security ~~police~~ GUARDS employed for the purpose of  
26 ~~guarding~~ PROTECTING the property and employees of their  
27 employer and generally maintaining ~~plant~~ security for their

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1 employer. ~~, provided however, that~~ HOWEVER, any person, firm,  
2 or corporation maintaining a private security police organization  
3 may voluntarily apply for licensing under this act. When a pri-  
4 vate security police employer described and defined in this sec-  
5 tion provides the employee with a pistol for the purpose of pro-  
6 tecting the property of the employer, such pistol shall be con-  
7 sidered the property of the employer and the employer shall  
8 retain custody thereof, except during the actual working hours of  
9 the employee. All such private security people shall be subject  
10 to the provisions of section ~~19, subsection (1)~~ 19(1). ~~of this~~  
11 ~~act.~~

12       Sec. 30. ~~Any~~ A private security police officer, as  
13 ~~defined~~ DESCRIBED in section 29, who is properly licensed under  
14 this act ~~shall have~~ HAS the authority to arrest a person with-  
15 out a warrant as set forth for public peace officers in section  
16 15 of chapter ~~4~~ IV of ~~Act No. 175 of the Public Acts of 1927,~~  
17 ~~being section 764.15 of the Compiled Laws of 1948~~ THE CODE OF  
18 CRIMINAL PROCEDURE, 1927 PA 175, MCL 764.15, when ~~such~~ THAT  
19 PRIVATE security police officer is on ~~his~~ THE employer's  
20 premises. Such authority ~~shall be~~ IS limited to his OR HER  
21 hours of employment as a private SECURITY police officer and  
22 ~~shall~~ DOES not extend beyond the boundaries of the property of  
23 ~~his~~ THE employer ~~,~~ and while ~~such~~ THE PRIVATE SECURITY  
24 POLICE officer is in the full uniform of ~~his~~ THE employer.

25       Sec. 31. ~~Anyone~~ ANY PERSON requesting licensing under  
26 this act ~~as provided~~ under section 29, or THE employee of



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1 ~~said~~ THE applicant, shall comply with training requirements as  
2 prescribed by the department UNDER THIS ACT.

3       Sec. 32. ~~A~~ EXCEPT AS OTHERWISE PROVIDED IN THIS ACT, A  
4 licensee, manager, or employee of a licensee who violates this  
5 act is guilty of a misdemeanor, punishable by imprisonment for  
6 not more than 90 days or by a fine of not more than ~~-\$100.00-~~  
7 \$1,000.00, or both.

8       Sec. 33. ~~(1) An~~ A SECURITY alarm system may not be  
9 installed or operated in this state unless the SECURITY ALARM  
10 system is ~~:(a)~~ EITHER installed by ~~an~~ A SECURITY alarm  
11 system contractor licensed under this act ~~;(b)~~ OR IS installed  
12 by the owner or occupant of a residence in his OR HER residence.

13       ~~(2) An alarm system installed in a commercial or public~~  
14 ~~building shall utilize equipment and methods of installation~~  
15 ~~equivalent to or exceeding minimum underwriter's laboratory,~~  
16 ~~American national standards institute or any other nationally~~  
17 ~~recognized testing laboratory requirements for the appropriate~~  
18 ~~installation.~~

19       ~~(3) An alarm system installed in a residence shall utilize~~  
20 ~~equipment equivalent to or exceeding minimum applicable~~  
21 ~~underwriter's laboratory or American national standards institute~~  
22 ~~requirements for household security alarm systems.~~

23       ~~(4) If the alarm system was installed prior to the effective~~  
24 ~~date of this act, it shall be inspected and certified by an alarm~~  
25 ~~system contractor licensed under this act within 6 months after~~  
26 ~~the effective date of this act.~~

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1 Enacting section 1. Sections 28 and 35 of the private  
2 security guard act of 1968, 1968 PA 330, MCL 338.1078 and  
3 338.1085, are repealed.