

HB 5917, As Passed Senate, December 14, 2000

**SENATE 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-

3

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

4

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

5

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

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

2

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,~~

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

3

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~~

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

4

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 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 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

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

5

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

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

6

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~~

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

7

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~~ THIS section ~~shall~~ DOES NOT prevent a private detective
20 or private investigator licensed under the ~~laws of this state~~
21 PRIVATE DETECTIVE LICENSE ACT OF 1965, 1965 PA 285, MCL 338.821
22 TO 338.851, from performing the services of A private security
23 guard or ~~agency as defined under this act and the license fee~~
24 ~~shall include both services.~~ A PRIVATE SECURITY POLICE EXCEPT
25 THAT A private security guard or ~~agency~~ PRIVATE SECURITY POLICE
26 may not perform the services of a private detective or private
27 investigator ~~as defined in Act No. 285 of the Public Acts of~~

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

8

1 ~~1965, as amended, being sections 338.821 to 338.851 of the~~
2 ~~Michigan Compiled Laws,~~ without obtaining a PRIVATE detective OR
3 PRIVATE INVESTIGATOR license. ~~so to do.~~

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

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

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

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

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

16 (C) ~~(e) Has~~ IN THE CASE OF A PERSON LICENSED UNDER THIS
17 SECTION AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED
18 SUBDIVISION (D), HAS not been under any sentence, including
19 parole, probation, or actual incarceration, for the commission of
20 a felony. ~~within 5 years before the date of application.~~

21 (D) IN THE CASE OF A PERSON LICENSED UNDER THIS SECTION ON
22 OR BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED
23 THIS SUBDIVISION, HAS NOT BEEN UNDER ANY SENTENCE, INCLUDING
24 PAROLE, PROBATION, OR ACTUAL INCARCERATION, FOR THE COMMISSION OF
25 A FELONY WITHIN 5 YEARS BEFORE THE DATE OF APPLICATION.

26 (E) HAS NOT BEEN CONVICTED OF AN OFFENSE LISTED IN
27 SECTION 10(1)(C) WITHIN 5 YEARS BEFORE THE DATE OF APPLICATION.

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

9

1 (f) Has not been dishonorably discharged from a branch of
2 the United States military service.

3 (g) In the case of an applicant for a private security guard
4 or agency license, has been lawfully engaged in 1 or more of the
5 following:

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

8 (ii) In the private security guard or agency business for a
9 period of not less than ~~3~~ 4 years as an employee of the holder
10 of a certificate of authority to conduct a private security guard
11 or agency business ~~—~~ and has had experience reasonably equiva-
12 lent to not less than 4 years of full-time guard work in a super-
13 visory capacity with rank above that of patrolman.

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

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

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

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

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

10

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

9 (I) ~~(j)~~ Has posted with the department a bond provided for
10 in this act.

11 (J) ~~(k)~~ Has not been adjudged insane ~~,~~ unless restored
12 to sanity by court order.

13 (K) ~~(l)~~ Does not have any outstanding warrants for his or
14 her arrest.

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

19 Sec. 7. (1) The department shall prepare a uniform applica-
20 tion for the particular license ~~,~~ and shall require the person
21 filing THE application to ~~list as references~~ OBTAIN REFERENCE
22 STATEMENTS FROM at least 5 reputable citizens who are residents
23 of this state who have known the ~~application~~ APPLICANT for a
24 period of at least 5 years, who can attest that the applicant is
25 honest, of good character, and competent, and who are not related
26 or connected to the applicant by blood or marriage.

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

11

1 (2) Upon receipt of the application, the department shall
2 investigate the applicant's reputation for truth, honesty,
3 integrity and ethical dealing.

4 (3) The application and investigation ~~shall~~ IS not ~~be~~
5 CONSIDERED complete until the applicant has received the approval
6 of the prosecuting attorney and the sheriff of the county IN THIS
7 STATE within which the principal office of the applicant is to be
8 located. If the office is to be located in a city, TOWNSHIP, or
9 village, the approval of the chief of police may be obtained
10 instead of the sheriff. Branch offices and branch managers shall
11 be similarly approved.

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

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

20 (B) THE COMPLETION OF THE INVESTIGATION OF THE SUBJECT
21 MATTER ADDRESSED IN SECTION 6.

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

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

26 (E) THE APPLICANT FAILS TO MEET 1 OR MORE OF THE
27 REQUIREMENTS FOR LICENSURE IMPOSED UNDER THIS ACT.

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

12

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

3 Sec. 8. ~~If the applicant is a corporation, the application~~
4 ~~shall be signed and verified by the president, secretary and~~
5 ~~treasurer thereof, and shall specify the name of the corporation,~~
6 ~~the date and place of its incorporation, the location of its~~
7 ~~principal place of business, and the name of the city, as well as~~
8 ~~indicate the location of the bureau, agency, subagency, office or~~
9 ~~branch office for which the license is desired, the amount of the~~
10 ~~corporation's outstanding paid-up capital and stock, and whether~~
11 ~~paid in cash or property, and if in property, the nature of the~~
12 ~~same, and shall be accompanied by a duly certified copy of a cer-~~
13 ~~tificate of incorporation.~~

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

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

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

22 (B) THE ADDRESS AND LOCATION OF ANY BRANCH OFFICE OF THE
23 BUSINESS.

24 (C) THE CERTIFICATE OF INCORPORATION OF THE BUSINESS, IF
25 APPLICABLE.

26 (2) EACH APPLICANT SHALL SUBMIT 2 PASSPORT QUALITY
27 PHOTOGRAPHS OF THE APPLICANT WITH THE APPLICATION. IF THE

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

13

1 APPLICANT IS A BUSINESS ENTITY, THE RESIDENT MANAGER OF THE
2 BUSINESS SHALL SUBMIT 2 PASSPORT QUALITY PHOTOGRAPHS OF HIMSELF
3 OR HERSELF.

4 Sec. 9. (1) The department, when satisfied of the good
5 character, competence, and integrity of the applicant, or if the
6 applicant is a firm, company, partnership, or corporation, of
7 ~~the~~ ITS individual members or officers, ~~thereof,~~ shall issue
8 to the applicant a certificate of license upon the applicant's
9 paying to the department for each certificate of license \$200.00
10 if a person, or \$300.00 if a private security guard firm, com-
11 pany, partnership, or corporation, or \$500.00 if ~~an~~ A SECURITY
12 alarm system contractor, and upon the applicant's executing,
13 delivering, and filing ~~in the office of~~ WITH the department a
14 bond in the sum of ~~\$5,000.00~~ \$25,000.00. ~~if a person, or~~
15 ~~\$10,000 if a private security guard firm, company, partnership,~~
16 ~~or corporation or an alarm system contractor.~~ The bond shall be
17 conditioned upon the faithful and honest conduct of the business
18 by the applicant ~~,~~ and shall be approved by the ~~state~~
19 DEPARTMENT. In lieu of a bond, the applicant may furnish a
20 policy of insurance issued by an insurer authorized to do busi-
21 ness in this state ~~,~~ naming the licensee and the state as coin-
22 sureds in the amount of ~~\$20,000.00~~ \$25,000.00 for property dam-
23 ages, \$100,000.00 for injury to or death of 1 person, and
24 \$200,000.00 for injuries to or deaths of more than 1 person aris-
25 ing out of the operation of the licensed activity. The license
26 ~~shall be~~ IS valid for 2 years ~~,~~ but ~~shall be revocable~~ IS
27 REVOCABLE at all times by the department for cause shown. The

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

14

1 bonds shall be taken in the name of the people of the state ~~,~~
2 and a person injured by the ~~wilful~~ WILLFUL, malicious, and
3 wrongful act of the licensee or any of his OR HER agents or
4 employees may bring an action on the bond or insurance policy in
5 his OR HER own name to recover damages suffered by reason of the
6 WRONGFUL act. The license certificate shall be in a form to be
7 prescribed by the department. ~~and shall specify the full name of~~
8 ~~the applicant, the location of the principal office or place of~~
9 ~~business and the location of the bureau, agency, subagency,~~
10 ~~office, or branch office for which the license is issued, the~~
11 ~~date on which it will expire, and the name of the person filing~~
12 ~~the application.~~

13 (2) If a licensee desires to open a branch office, ~~or~~
14 ~~subagency,~~ he OR SHE may receive a certificate of license for
15 that branch ~~or subagency~~ following approval as required in sec-
16 tion 7 and payment to the department of an additional fee of
17 \$50.00 for each private security guard branch office license and
18 \$100.00 for each SECURITY alarm system contractor branch office
19 license. The additional license shall be posted in a conspicuous
20 place in the branch office ~~or subagency~~ and shall expire
21 ~~concurrent with the~~ ON THE SAME date ~~of~~ AS the initial
22 license.

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

25 (4) ~~(3)~~ If the license is DENIED, revoked, or ~~terminated~~
26 SUSPENDED for cause, no refund shall be made of the license fees
27 or a part thereof.

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

15

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

7 (a) Made any false statements or given any false information
8 in connection with an application for a license or a renewal or
9 reinstatement of a license.

10 (b) Violated any provision of this act.

11 (c) Been, while licensed or employed by a licensee, con-
12 victed of ~~, or has knowingly continued the employment of any~~
13 ~~individual convicted of, a felony, misdemeanor punishable by more~~
14 ~~than 1 year of imprisonment, or any crime or crimes involving~~
15 ~~moral turpitude, dishonesty or fraud, unauthorized divulging or~~
16 ~~selling of information or evidence, impersonation of a law~~
17 ~~enforcement officer or employee of the United States or any state~~
18 ~~or political subdivision of the United States, illegally using,~~
19 ~~carrying or possessing a dangerous weapon, habitual drunkenness,~~
20 ~~using, selling or possessing narcotics, or illegally using an~~
21 ~~excessive and unnecessary degree of force. A FELONY OR A MISDE-~~
22 ~~MEANOR INVOLVING ANY OF THE FOLLOWING:~~

23 (i) DISHONESTY OR FRAUD.

24 (ii) UNAUTHORIZED DIVULGING OR SELLING OF INFORMATION OR
25 EVIDENCE.

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

16

1 (iii) IMPERSONATION OF A LAW ENFORCEMENT OFFICER OR EMPLOYEE
2 OF THE UNITED STATES, THIS STATE, OR A POLITICAL SUBDIVISION OF
3 THIS STATE.

4 (iv) ILLEGALLY USING, CARRYING, OR POSSESSING A DANGEROUS
5 WEAPON.

6 (v) TWO OR MORE ALCOHOL RELATED OFFENSES.

7 (vi) CONTROLLED SUBSTANCES UNDER THE PUBLIC HEALTH CODE,
8 1978 PA 368, MCL 333.1101 TO 333.25211.

9 (vii) AN ASSAULT.

10 (d) Knowingly submitted any of the following:

11 (i) A name other than the true name of a prospective
12 employee.

13 (ii) Fingerprints not belonging to the prospective
14 employee.

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

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

20 (3) ~~Upon notification from the department of the revocation~~
21 ~~of the license, the licensee, within 48 hours after notification,~~
22 ~~shall surrender to the department the certificate of license and~~
23 ~~his or her identification card. In addition to the penalties~~
24 ~~provided for in section 32, failure to surrender a certificate of~~
25 ~~license or identification card to the department is~~ WITHIN 48
26 HOURS AFTER NOTIFICATION FROM THE DEPARTMENT OF THE REVOCATION OF
27 A LICENSE UNDER THIS ACT, THE LICENSEE SHALL SURRENDER THE

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

17

1 LICENSE AND THE IDENTIFICATION CARD ISSUED UNDER SECTION 14. A
2 PERSON WHO VIOLATES THIS SUBSECTION IS GUILTY OF a misdemeanor
3 PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 93 DAYS OR A FINE OF
4 NOT MORE THAN \$500.00, OR BOTH.

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

10 Sec. 14. (1) Upon issuing a certificate of license, the
11 department shall issue an identification card to the principal
12 license holder, and if the ~~agency is~~ LICENSEE IS A PARTNER IN a
13 partnership to each partner, and if the license holder is a cor-
14 poration to each resident officer or manager ~~thereof~~ BUT ONLY
15 IF REQUESTED BY A RESIDENT OFFICER OR MANAGER.

16 (2) The form and contents of the identification card shall
17 be prescribed by the department, and the card shall be
18 ~~recallable~~ RECALLED by the department ~~for cause~~ IF THE
19 PERSON'S LICENSE IS REVOKED.

20 (3) Only 1 identification card shall be issued for each
21 person entitled to receive it, and the licensee shall be respon-
22 sible for the maintenance, custody, and control of the identifi-
23 cation card, and shall ~~neither~~ NOT let, loan, sell, ~~nor~~ OR
24 otherwise permit unauthorized persons or employees to use it.
25 ~~Nothing in this~~ THIS section ~~shall be construed to~~ DOES NOT
26 prevent an agency from issuing its own identification cards to
27 ~~their~~ ITS employees if they are approved as to form and content

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

18

1 by the department. The individual card shall not bear the seal
2 of the state, but the employee shall be designated as either
3 SECURITY alarm system agent, private SECURITY police OFFICER,
4 security guard, ~~watchman, patrolman,~~ or security technician.

5 (4) THE DEPARTMENT MAY SUSPEND A LICENSE ISSUED UNDER THIS
6 ACT IF THE LICENSEE FAILS TO COMPLY WITH ANY OF THE REQUIREMENTS
7 OF THIS ACT. UNLESS A LICENSE IS REQUIRED TO BE REVOKED FOR A
8 VIOLATION OF THIS ACT, THE DEPARTMENT SHALL REINSTATE A SUSPENDED
9 LICENSE UPON THE LICENSEE COMPLYING WITH THIS ACT AND THE
10 LICENSEE PAYING A \$100.00 REINSTATEMENT FEE.

11 (5) ~~(4)~~ Upon proper application and for sufficient reasons
12 shown, the department may issue duplicates of the original cer-
13 tificate of license or identification card.

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

21 (2) Employees IN THE EMPLOY OF A LICENSEE AFTER THE EFFEC-
22 TIVE DATE OF THE AMENDATORY ACT THAT ADDED SUBSECTION (5) shall
23 meet the qualifications outlined in section ~~6(1)(a), (e), (f),~~
24 ~~(k), and (l)~~ 6(1)(C), (E), (J), AND (K), be at least 18 years of
25 age, and have had at least an eighth grade education or its
26 equivalent. AN EMPLOYEE IN THE EMPLOY OF A LICENSEE ON OR BEFORE
27 THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

19

1 SUBSECTION (5) SHALL MEET THE QUALIFICATIONS OUTLINED IN
2 SECTION 6(1)(D), (E), (J), AND (K), BE AT LEAST 18 YEARS OF AGE,
3 AND HAVE HAD AT LEAST AN EIGHTH GRADE EDUCATION OR ITS
4 EQUIVALENT.

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

8 (4) If a licensee falsely states or represents that a person
9 is or has been in his or her employ, the false statement or rep-
10 resentation is sufficient cause for the revocation of the
11 license. ~~A person falsely stating or representing that he or
12 she is or has been a licensed alarm system contractor or private
13 security guard or agency or employed by a holder of a license is
14 guilty of a misdemeanor.~~

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

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

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

26 (3) The fingerprints required to be taken under
27 subsection (2) may be taken by a law enforcement agency or any

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

20

1 other person determined by the department to be qualified to take
2 fingerprints. The department may charge a fee not to exceed
3 \$100.00 for training. The licensee shall submit a 1-time \$15.00
4 processing fee for each person applying for employment at that
5 agency. If a licensee takes the fingerprints, that licensee
6 shall obtain training in taking fingerprints from the department
7 or a law enforcement agency or other person determined qualified
8 by the department. The department may impose a fee not to exceed
9 \$5.00 for fingerprints submitted to the department that do not
10 meet standards imposed by the department.

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

13 (5) A licensee shall request the department to conduct a
14 background check of each prospective employee based upon a name
15 check. THE LICENSEE SHALL OBTAIN A COMPLETE AND SIGNED EMPLOY-
16 MENT APPLICATION FOR ALL INDIVIDUALS FOR WHOM A NAME CHECK IS
17 REQUESTED AND CONDUCTED. THE EMPLOYMENT APPLICATION SHALL BE
18 RETAINED FOR AT LEAST 1 YEAR FROM THE DATE OF ITS SUBMISSION. The
19 department shall conduct the background check upon a written or
20 telephonic request of a licensee accompanied by a fee of \$5.00.
21 The background check shall be conducted not later than 3 days
22 after the date a written request is made and not later than 24
23 hours after a telephonic request is made. Provisional clearance
24 based on the name check shall allow the employee to be employed,
25 for a period of time not to exceed 90 days, pending final clear-
26 ance based upon a fingerprint check. If an approval is once
27 denied, that individual may not again be employed by the

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

21

1 submitting licensee except upon receipt of an approved
2 fingerprint clearance. A LICENSEE OR EMPLOYEE OF A LICENSEE WHO
3 USES A NAME CHECK OR RESULTS OF A NAME CHECK FOR PURPOSES OTHER
4 THAN PROSPECTIVE EMPLOYMENT IS GUILTY OF A MISDEMEANOR PUNISHABLE
5 BY IMPRISONMENT FOR NOT MORE THAN 93 DAYS, A FINE OF NOT MORE
6 THAN \$1,000.00, OR BOTH.

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

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

13 Sec. 19. (1) The particular type of uniform and insignia
14 worn by a licensee or his OR HER employees ~~,~~ must be approved
15 by the department and shall not deceive or confuse the public or
16 be identical with that of a law enforcement officer of the fed-
17 eral government, state, or a political subdivision ~~thereof~~ OF
18 THE STATE in the community of the license holder. Shoulder iden-
19 tification patches shall be worn on all uniform jackets, coats,
20 and shirts and shall include the name of the licensee or agency.
21 Shoulder identification patches or emblems shall not be less than
22 2 inches by 3 inches in size.

23 (2) A badge or shield shall not be worn or carried by ~~an~~ A
24 SECURITY alarm system agent, private ~~policeman, special police~~
25 ~~man, watchman~~ SECURITY POLICE OFFICER, or employee, or licensee
26 of ~~an~~ A SECURITY alarm system contractor, ~~patrol service~~
27 ~~agency~~ PRIVATE SECURITY POLICE ORGANIZATION, or private security

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

22

1 guard agency, unless approved by the director of the department.

2 ~~of state police.~~

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

8 (4) ~~(3)~~ A person licensed as ~~an~~ A SECURITY alarm system
9 contractor, SECURITY alarm system agent, or a private security
10 guard or agency is not authorized to carry a deadly weapon unless
11 he OR SHE is licensed to do so in accordance with the laws of
12 this state.

13 ~~(4) Nothing in this act will prevent a licensee from autho-~~
14 ~~rizing his employee to carry a night stick constructed solely of~~
15 ~~wood.~~

16 (5) A LICENSEE MAY AUTHORIZE HIS OR HER EMPLOYEES TO CARRY
17 ANY COMMERCIALY AVAILABLE TACTICAL BATON.

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

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

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

23

1 (3) ~~Any~~ A person ~~who is~~ not licensed under this act ~~,~~
2 who advertises his OR HER business to be that of a private secur-
3 ity guard or SECURITY ALARM agency, irrespective of the name or
4 title actually used, is guilty of a misdemeanor PUNISHABLE BY
5 IMPRISONMENT FOR NOT MORE THAN 93 DAYS, A FINE OF NOT MORE THAN
6 \$1,000.00, OR BOTH.

7 Sec. 25. (1) A license granted under ~~the provisions of~~
8 this act may be renewed by the department upon application
9 ~~thereof~~ by the licensee ~~,~~ and the payment of a renewal fee of
10 \$100.00 if ~~a person~~ AN INDIVIDUAL, \$150.00 if a private secur-
11 ity guard firm, company, partnership, or corporation, or \$250.00
12 if ~~an~~ A SECURITY alarm system contractor, and filing of a
13 renewal surety bond in the amount ~~equivalent to that~~ specified
14 in section 9. ~~of this act.~~

15 (2) A renewal license shall be dated as of the expiration
16 date of the previously existing license. For the renewal of a
17 license, the licensee shall submit an application in such form
18 ~~as prescribed~~ PROVIDED by the department. ~~,~~ and a license
19 ~~shall be issued forthwith, except that the~~ THE department may
20 defer the renewal of license if there ~~are~~ IS AN uninvestigated
21 ~~complaints then~~ outstanding ~~against the licensee or if there~~
22 ~~is a~~ criminal complaint ~~then~~ pending against the licensee OR A
23 CRIMINAL CASE PENDING IN ANY COURT AGAINST THE LICENSEE.

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

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

24

1 (4) A PERSON WHO FAILS TO RENEW A LICENSE ON OR BEFORE THE
2 EXPIRATION DATE SHALL NOT ENGAGE IN ACTIVITIES REGULATED BY THIS
3 ACT. A PERSON WHO FAILS TO RENEW A LICENSE ON OR BEFORE THE
4 EXPIRATION DATE MAY, WITHIN 30 DAYS AFTER THE EXPIRATION DATE,
5 RENEW THE LICENSE BY PAYMENT OF THE REQUIRED LICENSE FEE AND A
6 LATE RENEWAL FEE AS PRESCRIBED BY SECTION 9. AN APPLICANT WHO
7 FAILS TO RENEW WITHIN THE 30-DAY PERIOD MUST REAPPLY FOR A
8 LICENSE UNDER SECTION 7.

9 Sec. 29. This act shall not require licensing of any pri-
10 vate security ~~police~~ GUARDS employed for the purpose of
11 ~~guarding~~ PROTECTING the property and employees of their
12 employer and generally maintaining ~~plant~~ security for their
13 employer. ~~, provided however, that~~ HOWEVER, any person, firm,
14 or corporation maintaining a private security police organization
15 may voluntarily apply for licensing under this act. When a pri-
16 vate security police employer described and defined in this sec-
17 tion provides the employee with a pistol for the purpose of pro-
18 tecting the property of the employer, such pistol shall be con-
19 sidered the property of the employer and the employer shall
20 retain custody thereof, except during the actual working hours of
21 the employee. All such private security people shall be subject
22 to the provisions of section ~~19, subsection (1)~~ 19(1). ~~of this~~
23 ~~act.~~

24 Sec. 30. ~~Any~~ A private security police officer, as
25 ~~defined~~ DESCRIBED in section 29, who is properly licensed under
26 this act ~~shall have~~ HAS the authority to arrest a person
27 without a warrant as set forth for public peace officers in

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

25

1 section 15 of chapter ~~4~~ IV of ~~Act No. 175 of the Public Acts~~
2 of 1927, being section 764.15 of the Compiled Laws of 1948 THE
3 CODE OF CRIMINAL PROCEDURE, 1927 PA 175, MCL 764.15, when ~~such~~
4 THAT PRIVATE security police officer is on ~~his~~ THE employer's
5 premises. Such authority ~~shall be~~ IS limited to his OR HER
6 hours of employment as a private SECURITY police officer and
7 ~~shall~~ DOES not extend beyond the boundaries of the property of
8 ~~his~~ THE employer , and while ~~such~~ THE PRIVATE SECURITY
9 POLICE officer is in the full uniform of ~~his~~ THE employer.

10 Sec. 31. ~~Anyone~~ ANY PERSON requesting licensing under
11 this act ~~as provided~~ under section 29, or THE employee of
12 ~~said~~ THE applicant, shall comply with training requirements as
13 prescribed by the department UNDER THIS ACT.

14 Sec. 32. ~~A~~ EXCEPT AS OTHERWISE PROVIDED IN THIS ACT, A
15 licensee, manager, or employee of a licensee who violates this
16 act is guilty of a misdemeanor, punishable by imprisonment for
17 not more than 90 days or by a fine of not more than ~~\$100.00~~
18 \$1,000.00, or both.

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

24 ~~(2) An alarm system installed in a commercial or public~~
25 building shall utilize equipment and methods of installation
26 equivalent to or exceeding minimum underwriter's laboratory,
27 American national standards institute or any other nationally

HB 5917, As Passed Senate, December 14, 2000

House Bill No. 5917

26

1 ~~recognized testing laboratory requirements for the appropriate~~
2 ~~installation.~~

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

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

11 Enacting section 1. Sections 28 and 35 of the private
12 security guard act of 1968, 1968 PA 330, MCL 338.1078 and
13 338.1085, are repealed.