

SUBSTITUTE FOR
SENATE BILL NO. 425

A bill to amend 1968 PA 330, entitled
"Private security business and security alarm act,"
by amending sections 2, 3, 6, 7, 9, 10, 13, 14, 17, 18, 19, 24,
25, 29, and 31 (MCL 338.1052, 338.1053, 338.1056, 338.1057,
338.1059, 338.1060, 338.1063, 338.1064, 338.1067, 338.1068,
338.1069, 338.1074, 338.1075, 338.1079, and 338.1081), sections
2, 3, 6, 7, 9, 10, 14, 17, 18, 19, 25, 29, and 31 as amended by
2000 PA 411.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2. (1) As used in this act:
2 (a) "Department" means the department of state police.
3 (b) "Licensee" means a ~~person~~ SOLE PROPRIETORSHIP, firm,
4 company, partnership, LIMITED LIABILITY COMPANY, or corporation
5 licensed under this act.

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

2

1 (c) "Private security guard" means an individual or an
2 employee of an employer who offers, for hire, to provide
3 protection of property on the premises of another.

4 (d) "Private security police" means that part of a business
5 organization primarily responsible for the protection of property
6 on the premises of the business organization.

7 (e) "Security alarm system" means a detection device or an
8 assembly of equipment and devices arranged to signal the presence
9 of a hazard requiring urgent attention or to which police are
10 expected to respond. Security alarm system includes any system
11 that can electronically cause an expected response by a law
12 enforcement agency to a premises by means of the activation of an
13 audible signal, visible signal, electronic notification, or video
14 signal, or any combination of these signals, to a remote monitor-
15 ing location on or off the premises. Security alarm system does
16 not include a video signal that is not transmitted over a public
17 communication system or a fire alarm system or an alarm system
18 that monitors temperature, humidity, or other condition not
19 directly related to the detection of an unauthorized intrusion
20 into a premises or an attempted robbery at a premises.

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

26 (g) "Security alarm system contractor" means a ~~person~~ SOLE
27 PROPRIETORSHIP, firm, company, partnership, LIMITED LIABILITY

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

3

1 COMPANY, or corporation engaged in the installation, maintenance,
2 alteration, monitoring, or servicing of security alarm systems or
3 who responds to a security alarm system. Security alarm system
4 contractor does not include a business that only sells or manu-
5 factures security alarm systems unless the business services
6 security alarm systems, installs security alarm systems, monitors
7 or arranges for the monitoring of a security alarm system, or
8 responds to security alarm systems at the protected premises.

9 (h) "Security business" means a person or business entity
10 engaged in offering, arranging, or providing 1 or more of the
11 following services:

12 (i) Security alarm system installation, service, mainte-
13 nance, alteration, or monitoring.

14 (ii) Private security guard.

15 (iii) Private security police.

16 (2) All businesses furnishing security alarm systems for the
17 protection of persons and property, whose employees and security
18 technicians travel on public property and thoroughfares in the
19 pursuit of their duties, are subject to this act.

20 (3) A communications common carrier providing communications
21 channels under tariffs for the transmission of signals in connec-
22 tion with an alarm system is not subject to this act.

23 (4) Railroad policemen appointed and commissioned under the
24 railroad code of 1993, 1993 PA 354, MCL 462.101 to 462.451, are
25 exempt from this act.

26 Sec. 3. (1) Unless licensed under this act, a ~~person~~ SOLE
27 PROPRIETORSHIP, firm, company, partnership, LIMITED LIABILITY

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

4

1 COMPANY, or corporation shall not engage in the business of
2 security alarm system contractor, private security guard, private
3 security police, patrol service, or an agency furnishing those
4 services. A person, firm, company, partnership, LIMITED LIABIL-
5 ITY COMPANY, or corporation shall not advertise its business to
6 be that of security alarm system contractor, security alarm
7 system agent, private security guard agency, or an agency fur-
8 nishing those services without having first obtained from the
9 department a license to do so for each office and branch office
10 to be owned, conducted, managed, or maintained for the conduct of
11 that business.

12 (2) A person shall not sell, install, operate, adjust,
13 arrange for, or contract to provide a device which upon activa-
14 tion, either mechanically, electronically, or by any other means,
15 initiates the automatic calling or dialing of, or makes a connec-
16 tion directly to, a telephone assigned to a public service, util-
17 ity, or police agency, for the purpose of delivering a recorded
18 message, without first receiving written permission from that
19 service, utility, or agency.

20 (3) A person who violates this section is guilty of a felony
21 punishable by imprisonment for not more than 4 years, by a fine
22 of not more than \$1,000.00, or both.

23 Sec. 6. (1) The department shall issue a license to conduct
24 business as a security alarm system contractor or a private
25 security guard, private security police, or to a private security
26 guard business, if it is satisfied that the applicant is a
27 ~~person~~ SOLE PROPRIETORSHIP, or if a firm, partnership, company,

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

5

1 LIMITED LIABILITY COMPANY, or corporation the sole or principal
2 license holder is ~~a person~~ AN INDIVIDUAL, who meets all of the
3 following qualifications:

4 (a) Is not less than 25 years of age.

5 (b) Has a high school education or its equivalent.

6 (c) In the case of a ~~person licensed~~ LICENSEE under this
7 section after ~~the effective date of the amendatory act that~~
8 ~~added subdivision (d)~~ MARCH 28, 2001, has not been under any
9 sentence, including parole, probation, or actual incarceration,
10 for the commission of a felony.

11 (d) In the case of a person licensed under this section on
12 or before ~~the effective date of the amendatory act that added~~
13 ~~this subdivision~~ MARCH 28, 2001, has not been under any sen-
14 tence, including parole, probation, or actual incarceration, for
15 the commission of a felony within 5 years before the date of
16 application.

17 (e) Has not been convicted of an offense listed in
18 section 10(1)(c) within 5 years before the date of application.

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

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

24 (i) In the private security guard or agency business on his
25 or her own account IN ANOTHER STATE for a period of not less than
26 3 years.

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

6

1 (ii) In the private security guard or agency business for a
2 period of not less than 4 years as an employee of the holder of a
3 certificate of authority to conduct a private security guard or
4 agency business and has had experience reasonably equivalent to
5 not less than 4 years of full-time guard work in a supervisory
6 capacity with rank above that of patrolman.

7 (iii) In law enforcement employment AS A CERTIFIED POLICE
8 OFFICER on a full-time basis for not less than 4 years for a
9 city, county, or state government, or for the United States
10 government.

11 (iv) In the private security guard or agency business as an
12 employee or on his or her own account or as a security adminis-
13 trator in private business for not less than 2 years on a
14 full-time basis, and is a graduate with a baccalaureate degree or
15 its equivalent in the field of police administration or indus-
16 trial security from an accredited college or university.

17 (h) In the case of an applicant for a security alarm system
18 contractor license, has been lawfully engaged in either or both
19 of the following:

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

22 (ii) The security alarm system contractor business for a
23 period of not less than 4 years as an employee of the holder of a
24 certificate of authority to conduct a security alarm system con-
25 tractor business, and has had experience reasonably equivalent to
26 at least 4 years of full-time work in a supervisory capacity or
27 passes a written exam administered by the department designed to

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

7

1 measure his or her knowledge and training in security alarm
2 systems.

3 (i) Has posted with the department a bond provided for in
4 this act.

5 (j) Has not been adjudged insane unless restored to sanity
6 by court order.

7 (k) Does not have any outstanding warrants for his or her
8 arrest.

9 (2) In the case of a ~~person~~ SOLE PROPRIETORSHIP, firm,
10 partnership, company, or corporation now doing or seeking to do
11 business in this state, the resident manager shall comply with
12 the applicable qualifications of this section.

13 Sec. 7. (1) The department shall prepare a uniform applica-
14 tion for the particular license and shall require the person
15 filing the application to obtain reference statements from at
16 least 5 reputable citizens ~~who are residents of this state~~ who
17 have known the applicant for a period of at least 5 years, who
18 can attest that the applicant is honest, of good character, and
19 competent, and who are not related or connected to the applicant
20 by blood or marriage.

21 (2) Upon receipt of the application AND APPLICATION FEE, the
22 department shall investigate the applicant's ~~reputation for~~
23 ~~truth, honesty, integrity and ethical dealing~~ QUALIFICATIONS FOR
24 LICENSURE.

25 (3) The application and investigation ~~is~~ ARE not consid-
26 ered complete until the applicant has received the approval of
27 the prosecuting attorney and the sheriff of the county in this

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

8

1 state within which the principal office of the applicant is to be
2 located. If the office is to be located in a city, township, or
3 village, the approval of the chief of police may be obtained
4 instead of the sheriff. Branch offices and branch managers shall
5 be similarly approved.

6 (4) If a person has not previously been denied a license or
7 has not had a previous license suspended or revoked, the depart-
8 ment may issue a nonrenewable temporary license to an applicant.
9 If approved by the department, the temporary license is valid
10 until 1 or more of the following occur but not to exceed 120
11 days:

12 (a) The completion of the investigations and approvals
13 required under subsections (1), (2), and (3).

14 (b) The completion of the investigation of the subject
15 matter addressed in section 6.

16 (c) The completion of the investigation of any employees of
17 the licensee as further described in section 17.

18 (d) Confirmation of compliance with the bonding or insurance
19 requirements imposed in section 9.

20 (e) The applicant fails to meet 1 or more of the require-
21 ments for licensure imposed under this act.

22 (5) The fees for a temporary license shall be the applicable
23 fees as described in section 9.

24 Sec. 9. (1) The department, when satisfied of the good
25 character, competence, and integrity of the applicant, or if the
26 applicant is a firm, company, partnership, LIMITED LIABILITY
27 COMPANY, or corporation, of its individual members or officers,

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

9

1 shall issue to the applicant a certificate of license upon the
2 applicant's paying to the department for each certificate of
3 license ~~-\$200.00-~~ \$1,000.00 if a ~~person~~ SOLE PROPRIETORSHIP, or
4 ~~-\$300.00-~~ \$1,500.00 if a private security guard firm, company,
5 partnership, LIMITED LIABILITY COMPANY, or corporation, or
6 ~~-\$500.00-~~ \$1,500.00 if a security alarm system contractor, and
7 upon the applicant's executing, delivering, and filing with the
8 department a bond in the sum of \$25,000.00. The bond shall be
9 conditioned upon the faithful and honest conduct of the business
10 by the applicant and shall be approved by the department. In
11 lieu of a bond, the applicant may furnish a policy of insurance
12 issued by an insurer authorized to do business in this state
13 naming the licensee and the state as coinsureds in the amount of
14 \$25,000.00 for property damages, \$100,000.00 for injury to or
15 death of 1 person, and \$200,000.00 for injuries to or deaths of
16 more than 1 person arising out of the operation of the licensed
17 activity. The license is valid for 2 years but is revocable at
18 all times by the department for cause shown. The bonds shall be
19 taken in the name of the people of the state and a person injured
20 by the willful, malicious, and wrongful act of the licensee or
21 any of his or her agents or employees may bring an action on the
22 bond or insurance policy in his or her own name to recover dam-
23 ages suffered by reason of the wrongful act. The license certif-
24 icate shall be in a form to be prescribed by the department.

25 (2) If a licensee desires to open a branch office, he or she
26 may receive a certificate of license for that branch following
27 approval as required in section 7 and payment to the department

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

10

1 of an additional fee of ~~-\$50.00-~~ \$250.00 for each private
2 security guard branch office license and ~~-\$100.00-~~ \$500.00 for
3 each security alarm system contractor branch office license. The
4 additional license shall be posted in a conspicuous place in the
5 branch office and shall expire on the same date as the initial
6 license.

7 ~~(3) The department shall charge an additional fee of \$25.00~~
8 ~~for a late renewal as further described in section 25.~~

9 (3) ~~(4)~~ If the license is denied, revoked, or suspended
10 for cause, no refund shall be made of the license fees or a part
11 thereof.

12 (4) THE FEES COLLECTED BY THE DEPARTMENT UNDER THIS SECTION
13 SHALL BE DEPOSITED INTO THE SECURITY BUSINESS FUND CREATED IN
14 SUBSECTION (5).

15 (5) THE SECURITY BUSINESS FUND IS CREATED WITHIN THE STATE
16 TREASURY. THE DEPARTMENT SHALL DEPOSIT ALL LICENSE FEES COL-
17 LECTED UNDER THIS ACT INTO THE FUND. THE STATE TREASURER MAY
18 RECEIVE MONEY OR OTHER ASSETS FROM ANY SOURCE FOR DEPOSIT INTO
19 THE FUND. THE STATE TREASURER SHALL DIRECT THE INVESTMENT OF THE
20 FUND. THE STATE TREASURER SHALL CREDIT TO THE FUND INTEREST AND
21 EARNINGS FROM FUND INVESTMENTS. MONEY IN THE FUND AT THE CLOSE
22 OF THE FISCAL YEAR SHALL REMAIN IN THE FUND AND BE AVAILABLE FOR
23 APPROPRIATION AND EXPENDITURE BY THE DEPARTMENT IN SUBSEQUENT
24 FISCAL YEARS. THE MONEY IN THE FUND SHALL NOT LAPSE TO THE GEN-
25 ERAL FUND. THE DEPARTMENT SHALL EXPEND MONEY FROM THE FUND, UPON
26 APPROPRIATION, ONLY FOR ENFORCEMENT AND ADMINISTRATION OF THIS
27 ACT.

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

11

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~~ NOT an individual,
5 that any of its officers, directors, partners or its manager, has
6 done any 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 a felony or a misdemeanor involving any of the
13 following:

14 (i) Dishonesty or fraud.

15 (ii) Unauthorized divulging or selling of information or
16 evidence.

17 (iii) Impersonation of a law enforcement officer or employee
18 of the United States, this state, or a political subdivision of
19 this state.

20 (iv) Illegally using, carrying, or possessing a dangerous
21 weapon.

22 (v) Two or more alcohol related offenses.

23 (vi) Controlled substances under the public health code,
24 1978 PA 368, MCL 333.1101 to 333.25211.

25 (vii) An assault.

26 (d) Knowingly submitted any of the following:

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

12

1 (i) A name other than the true name of a prospective
2 employee.

3 (ii) Fingerprints not belonging to the prospective
4 employee.

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

7 (2) The department shall not renew a license of a licensee
8 who owes any fine or fee to the department at the time for a
9 renewal.

10 (3) Within 48 hours after notification from the department
11 of the revocation of a license under this act, the licensee shall
12 surrender the license and the identification card issued under
13 section 14. A person who violates this subsection is guilty of a
14 misdemeanor punishable by imprisonment for not more than 93 days
15 or a fine of not more than \$500.00, or both.

16 Sec. 13. (1) Any change in the name or location of the
17 agency or of a branch office or subagency shall be reported BY
18 THE LICENSEE to the department at least 10 days ~~prior to~~ BEFORE
19 the change ~~becoming~~ BECOMES effective, upon receipt of which
20 the department shall prepare and forward a certificate showing
21 the change. ~~, and the~~ THE licensee shall return ~~his~~ THE old
22 certificate within 3 business days after the change.

23 (2) FAILURE TO NOTIFY THE DEPARTMENT OF A CHANGE IN NAME OR
24 LOCATION MAY RESULT IN LICENSE SUSPENSION.

25 Sec. 14. (1) Upon issuing a certificate of license, the
26 department shall issue an identification card to the principal
27 license holder, and if the licensee is a partner in a partnership

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

13

1 to each partner, and if the license holder is a corporation to
2 each resident officer or manager but only if requested by a resi-
3 dent officer or manager.

4 (2) The form and contents of the identification card shall
5 be prescribed by the department, and the card shall be recalled
6 by the department if the ~~person's~~ license is revoked.

7 (3) Only 1 identification card shall be issued for each
8 person entitled to receive it. ~~, and the~~ THE licensee ~~shall~~
9 ~~be~~ IS responsible for the maintenance, custody, and control of
10 the identification card ~~,~~ and shall not let, loan, sell, or
11 otherwise permit unauthorized persons or employees to use it.
12 This section does not prevent an agency from issuing its own
13 identification cards to its employees if they are approved as to
14 form and content by the department. The individual card shall
15 not bear the seal of the state, ~~but~~ AND the employee shall be
16 designated as either security alarm system agent, private secur-
17 ity police officer, security guard, or security technician.

18 (4) The department may suspend a license issued under this
19 act if the licensee fails to comply with any of the requirements
20 of this act. Unless a license is required to be revoked for a
21 violation of this act, the department shall reinstate a suspended
22 license upon the licensee complying with this act and the
23 licensee paying a \$100.00 reinstatement fee.

24 (5) Upon proper application and for sufficient reasons
25 shown, the department may issue duplicates of the original cer-
26 tificate of license or identification card.

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

14

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 and in the conduct of his or her business,
5 and at all times during the employment is accountable for the
6 good conduct in the business of each person so employed.

7 LICENSEES AND EMPLOYEES OF A LICENSEE THAT ARE ARMED WITH A
8 PISTOL WITHIN THE COURSE OF THEIR EMPLOYMENT MUST OBTAIN A
9 MICHIGAN CONCEALED PISTOL LICENSE.

10 (2) Employees in the employ of a licensee after ~~the effec-~~
11 ~~tive date of the amendatory act that added subsection (5)~~
12 MARCH 28, 2001 shall meet the qualifications outlined in section
13 6(1)(c), (e), (j), and (k), be at least 18 years of age, and have
14 had at least an eighth grade education or its equivalent. An
15 employee in the employ of a licensee on or before ~~the effective~~
16 ~~date of the amendatory act that added subsection (5)~~ MARCH 28,
17 2001 shall meet the qualifications outlined in section 6(1)(d),
18 (e), (j), and (k), be at least 18 years of age, and have had at
19 least an eighth grade education or its equivalent. EMPLOYEES IN
20 THE EMPLOY OF A LICENSEE AFTER THE EFFECTIVE DATE OF THE AMENDA-
21 TORY ACT THAT ADDED THIS SENTENCE SHALL MEET THE QUALIFICATIONS
22 OUTLINED IN SECTION 6(1)(C), (E), (J), AND (K), BE AT LEAST 18
23 YEARS OF AGE, AND HAVE AT LEAST A HIGH SCHOOL DIPLOMA, A GED, OR
24 ITS EQUIVALENT.

25 (3) A licensee shall keep and maintain in this state ade-
26 quate and complete personnel information on all persons employed
27 by him or her. A COMPLETE EMPLOYEE ROSTER IN A MANNER DESCRIBED

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

15

1 BY THE DEPARTMENT SHALL BE FILED WITH THE DEPARTMENT BY EACH
2 LICENSEE ON A QUARTERLY BASIS. THE ROSTERS MUST BE FILED WITH
3 THE DEPARTMENT BY APRIL 15, JULY 15, OCTOBER 15, AND JANUARY 15
4 FOR THE PRECEDING QUARTER. FAILURE TO SUBMIT ACCURATE ROSTERS
5 SHALL BE CAUSE FOR SUSPENSION OF THE LICENSE. A RENEWAL APPLICA-
6 TION SHALL NOT BE PROCESSED IF THE QUARTERLY ROSTER HAS NOT BEEN
7 RECEIVED FOR EACH QUARTER OF THE PRECEDING 2-YEAR LICENSE PERIOD.

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.

12 (5) A person shall not falsely state or represent that he or
13 she is an agent of a licensed security alarm system contractor,
14 private security police officer, or private security guard. 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. 18. (1) A licensee shall not knowingly employ any
19 person who fails to meet the requirements of section 17.

20 (2) The licensee shall cause fingerprints to be taken of all
21 prospective employees, which fingerprints shall be submitted to
22 the department AND THE FEDERAL BUREAU OF INVESTIGATION for pro-
23 cessing and approval. THE FINGERPRINTS SHALL BE ACCOMPANIED BY A
24 FINGERPRINT PROCESSING FEE IN THE AMOUNT PRESCRIBED BY SECTION 3
25 OF 1935 PA 120, MCL 28.273, AS WELL AS ANY COSTS IMPOSED BY THE
26 FEDERAL BUREAU OF INVESTIGATION. A LICENSEE SHALL NOT HIRE AN
27 EMPLOYEE BEFORE OBTAINING FINGERPRINT CLEARANCE.

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

16

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

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

15 ~~(5) A licensee shall request the department to conduct a~~
16 ~~background check of each prospective employee based upon a name~~
17 ~~check. The licensee shall obtain a complete and signed employ-~~
18 ~~ment application for all individuals for whom a name check is~~
19 ~~requested and conducted. The employment application shall be~~
20 ~~retained for at least 1 year from the date of its submission.~~
21 ~~The department shall conduct the background check upon a written~~
22 ~~or telephonic request of a licensee accompanied by a fee of~~
23 ~~\$5.00. The background check shall be conducted not later than 3~~
24 ~~days after the date a written request is made and not later than~~
25 ~~24 hours after a telephonic request is made. Provisional clear-~~
26 ~~ance based on the name check shall allow the employee to be~~
27 ~~employed, for a period of time not to exceed 90 days, pending~~

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

17

1 ~~final clearance based upon a fingerprint check. If an approval~~
2 ~~is once denied, that individual may not again be employed by the~~
3 ~~submitting licensee except upon receipt of an approved finger-~~
4 ~~print clearance. A licensee or employee of a licensee who uses a~~
5 ~~name check or results of a name check for purposes other than~~
6 ~~prospective employment is guilty of a misdemeanor punishable by~~
7 ~~imprisonment for not more than 93 days, a fine of not more than~~
8 ~~\$1,000.00, or both.~~

9 (4) ~~(6)~~ The department may enter into an agreement with a
10 licensee for the payment of fees imposed pursuant to this act.

11 (5) ~~(7)~~ Any employee who, upon demand, fails to surrender
12 to the licensee his or her identification card and any other
13 property issued to him or her for use in connection with his or
14 her employer's business is guilty of a misdemeanor.

15 Sec. 19. (1) The particular type of uniform and insignia
16 worn by a licensee or his or her employees must be approved by
17 the department and shall not deceive or confuse the public or be
18 identical with that of a law enforcement officer of the federal
19 government, state, or a political subdivision of the state in the
20 community of the license holder. Shoulder identification patches
21 shall be worn on all uniform jackets, coats, and shirts and shall
22 include the name of the licensee or agency. Shoulder identifica-
23 tion patches or emblems shall not be less than ~~2~~ 3 inches by
24 ~~3~~ 5 inches in size.

25 (2) A badge or shield shall not be worn or carried by a
26 security alarm system agent, private security police officer, or
27 employee, or licensee of a security alarm system contractor,

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

18

1 private security police organization, or private security guard
2 agency, unless approved by the director of the department.

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

13 (5) A licensee may authorize his or her employees to carry
14 any commercially available tactical baton.

15 Sec. 24. Each ~~person~~ SOLE PROPRIETORSHIP, partnership,
16 firm, LIMITED LIABILITY COMPANY, or corporation licensed and
17 operating under the provisions of this act where there is an
18 employer-employee relationship ~~is required to~~ MUST comply with
19 the state and federal laws applicable and ~~shall be required to~~
20 MUST make written records and reports in accordance with ~~same~~
21 THE APPLICABLE STATE AND FEDERAL LAWS.

22 Sec. 25. (1) A license granted under this act may be
23 renewed by the department upon application by the licensee and
24 the payment of a renewal fee of ~~-\$100.00-~~ \$1,000.00 if ~~an~~
25 ~~individual~~ A SOLE PROPRIETORSHIP, ~~-\$150.00-~~ \$1,500.00 if a pri-
26 vate security guard firm, company, partnership, LIMITED LIABILITY
27 COMPANY, or corporation, or ~~-\$250.00-~~ \$1,500.00 if a security

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

19

1 alarm system contractor, and filing of a renewal surety bond in
2 the amount specified in section 9.

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 provided by the department. The department may defer the renewal
7 of license if there is an uninvestigated outstanding criminal
8 complaint pending against the licensee or a criminal case pending
9 in any court against the licensee.

10 (3) The renewal application must be approved by the sheriff
11 or chief of police and the prosecuting attorney, as required for
12 an initial license.

13 (4) A person who fails to renew a license on or before the
14 expiration date shall not engage in activities regulated by this
15 act. A person who fails to renew a license on or before the
16 expiration date may, within 30 days after the expiration date,
17 renew the license by payment of the required license fee and a
18 late renewal fee ~~as prescribed by section 9~~ OF \$25.00. An
19 applicant who fails to renew within the 30-day period must reap-
20 ply for a license under section 7.

21 (5) THE FEES COLLECTED BY THE DEPARTMENT UNDER THIS SECTION
22 SHALL BE DEPOSITED INTO THE SECURITY BUSINESS FUND CREATED IN
23 SECTION 9(5).

24 Sec. 29. This act ~~shall~~ DOES not require licensing of any
25 private security guards employed for the purpose of protecting
26 the property and employees of their employer and generally
27 maintaining security for their employer. However, any person,

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

20

1 firm, LIMITED LIABILITY COMPANY, or corporation maintaining a
2 private security police organization may voluntarily apply for
3 ~~licensing~~ LICENSURE under this act. When a private security
4 police employer AS described ~~and defined~~ in this section pro-
5 vides the employee with a pistol for the purpose of protecting
6 the property of the employer, ~~such~~ THE pistol shall be consid-
7 ered the property of the employer and the employer shall retain
8 custody ~~thereof~~ OF THE PISTOL, except during the actual working
9 hours of the employee. All such private security people shall be
10 subject to the provisions of ~~section~~ SECTIONS 17(1) AND 19(1).

11 Sec. 31. (1) ~~Any person requesting licensing~~ AN APPLICANT
12 FOR LICENSURE AS PRIVATE SECURITY POLICE under this act under
13 section 29, or the employee of the applicant, shall comply with
14 training requirements as prescribed by the department under this
15 act.

16 (2) THE DEPARTMENT SHALL PRESCRIBE, BY RULE OR OTHERWISE
17 PROVIDED BY LAW, TRAINING REQUIREMENTS FOR EMPLOYEES OF PRIVATE
18 SECURITY GUARD LICENSEES WHO ARE ENGAGED IN PROVIDING SECURITY
19 GUARD DUTIES WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THE AMEN-
20 DATORY ACT THAT ADDED THIS SUBSECTION. THE DEPARTMENT MAY
21 INCLUDE RECOMMENDATIONS MADE BY THE SECURITY PROVIDER ADVISORY
22 COMMISSION CREATED IN SECTION 31A. THE DEPARTMENT SHALL NOTIFY
23 AFFECTED LICENSE HOLDERS OF THE TRAINING REQUIREMENTS. IT IS THE
24 RESPONSIBILITY OF THE LICENSEE TO ENSURE THAT ALL DESIGNATED
25 EMPLOYEES MEET THE TRAINING STANDARDS WITHIN 3 MONTHS AFTER THE
26 DATE OF NOTIFICATION BY THE DEPARTMENT OR THE DATE OF HIRE. EACH
27 DESIGNATED EMPLOYEE SHALL COMPLETE AN ANNUAL REFRESHER TRAINING

SB 425, As Passed Senate, April 11, 2002

Senate Bill No. 425

21

1 COURSE PRESCRIBED BY RULE OF THE DEPARTMENT DURING EACH CALENDAR
2 YEAR. A LICENSEE WHO VIOLATES THIS SECTION IS GUILTY OF A MISDE-
3 MEANOR PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 93 DAYS OR A
4 FINE OF \$1,000.00, OR BOTH.

5 Enacting section 1. This amendatory act does not take
6 effect unless Senate Bill No. 420 of the 91st Legislature is
7 enacted into law.