

SENATE BILL No. 425

April 26, 2001, Introduced by Senators HOFFMAN, PETERS, DINGELL and NORTH
and referred to the Committee on Judiciary.

A bill to amend 1968 PA 330, entitled
"Private security business and security alarm act,"
by amending sections 9, 17, and 25 (MCL 338.1059, 338.1067 and
338.1075), as amended by 2000 PA 411.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9. (1) The department, when satisfied of the good
2 character, competence, and integrity of the applicant, or if the
3 applicant is a firm, company, partnership, or corporation, of its
4 individual members or officers, shall issue to the applicant a
5 certificate of license upon the applicant's paying to the depart-
6 ment for each certificate of license ~~-\$200.00-~~ \$500.00 if a
7 person, or ~~-\$300.00 if a~~ private security guard firm, company,
8 partnership, or corporation, ~~or~~ AND \$500.00 if a security alarm
9 system contractor, and upon the applicant's executing,
10 delivering, and filing with the department a bond in the sum of

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1 \$25,000.00. The bond shall be conditioned upon the faithful and
2 honest conduct of the business by the applicant and shall be
3 approved by the department. In lieu of a bond, the applicant may
4 furnish a policy of insurance issued by an insurer authorized to
5 do business in this state naming the licensee and the state as
6 coinsureds in the amount of \$25,000.00 for property damages,
7 \$100,000.00 for injury to or death of 1 person, and \$200,000.00
8 for injuries to or deaths of more than 1 person arising out of
9 the operation of the licensed activity. The license is valid for
10 2 years but is revocable at all times by the department for cause
11 shown. The bonds shall be taken in the name of the people of the
12 state and a person injured by the willful, malicious, and wrong-
13 ful act of the licensee or any of his or her agents or employees
14 may bring an action on the bond or insurance policy in his or her
15 own name to recover damages suffered by reason of the wrongful
16 act. The license certificate shall be in a form to be prescribed
17 by the department.

18 (2) If a licensee desires to open a branch office, he or she
19 may receive a certificate of license for that branch following
20 approval as required in section 7 and payment to the department
21 of an additional fee of ~~\$50.00~~ \$200.00 for each private secur-
22 ity guard branch office license and \$100.00 for each security
23 alarm system contractor branch office license. The additional
24 license shall be posted in a conspicuous place in the branch
25 office and shall expire on the same date as the initial license.

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

1 (4) If the license is denied, revoked, or suspended for
2 cause, no refund shall be made of the license fees or a part
3 ~~thereof~~ OF THE FEE.

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

10 (2) Employees in the employ of a licensee after ~~the effec-~~
11 ~~tive date of the amendatory act that added subsection (5)~~ MARCH
12 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.

20 (3) A licensee shall keep and maintain in this state ade-
21 quate and complete personnel information on all persons employed
22 by him or her.

23 (4) If a licensee falsely states or represents that a person
24 is or has been in his or her employ, the false statement or rep-
25 resentation is sufficient cause for the revocation of the
26 license.

1 (5) THE DEPARTMENT SHALL CONSIDER THE TRAINING REQUIREMENTS
2 AS RECOMMENDED BY THE COMMISSION ON LAW ENFORCEMENT STANDARDS
3 ESTABLISHED UNDER SECTION 9 OF THE COMMISSION ON LAW ENFORCEMENT
4 STANDARDS ACT, 1965 PA 203, MCL 28.609.

5 (6) THE DEPARTMENT SHALL ADOPT TRAINING REQUIREMENTS ACCEPT-
6 ABLE TO THE DIRECTOR OF THE DEPARTMENT BY RULE OR AS OTHERWISE
7 PROVIDED BY LAW.

8 (7) PRIVATE SECURITY GUARDS AND PRIVATE SECURITY POLICE CAR-
9 RYING OR POSSESSING A CONCEALED PISTOL WITHIN THE COURSE OF THEIR
10 EMPLOYMENT SHALL COMPLETE AND SUCCESSFULLY PASS A PISTOL TRAINING
11 OR SAFETY PROGRAM THAT MEETS OR EXCEEDS THE PISTOL TRAINING OR
12 SAFETY PROGRAM PRESCRIBED IN SECTION 5J OF 1927 PA 372,
13 MCL 28.425J.

14 (8) ~~-(5)-~~ A person shall not falsely state or represent that
15 he or she is an agent of a licensed security alarm system con-
16 tractor, private security police officer, or private security
17 guard. A person who violates this subsection is guilty of a mis-
18 demeanor punishable by imprisonment for not more than 93 days or
19 a fine of not more than \$500.00, or both.

20 Sec. 25. (1) A license granted under this act may be
21 renewed by the department upon application by the licensee and
22 the payment of a renewal fee of ~~-\$100.00-~~ \$400.00 if an individu-
23 al, ~~-\$150.00-~~ \$1,000.00 if a private security guard firm, com-
24 pany, partnership, or corporation, or \$250.00 if a security alarm
25 system contractor, and filing of a renewal surety bond in the
26 amount specified in section 9.

1 (2) A renewal license shall be dated as of the expiration
2 date of the previously existing license. For the renewal of a
3 license, the licensee shall submit an application in such form
4 provided by the department. The department may defer the renewal
5 of license if there is an uninvestigated outstanding criminal
6 complaint pending against the licensee or a criminal case pending
7 in any court against the licensee.

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

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

19 Enacting section 1. This amendatory act does not take
20 effect unless Senate Bill No. 426
21 of the 91st Legislature is enacted into
22 law.