

SENATE BILL No. 239

March 8, 2011, Introduced by Senator BOOHER and referred to the Committee on Regulatory Reform.

A bill to amend 1968 PA 330, entitled "Private security business and security alarm act," by amending the title and sections 1, 2, 3, 4, 5, 6, 9, 16, 17, 18, 19, 22, 25, 26, and 29 (MCL 338.1051, 338.1052, 338.1053, 338.1054, 338.1055, 338.1056, 338.1059, 338.1066, 338.1067, 338.1068, 338.1069, 338.1072, 338.1075, 338.1076, and 338.1079), the title and sections 2, 3, 4, 9, 17, 19, 25, and 29 as amended by 2010 PA 68, sections 1 and 22 as amended by 2000 PA 411, and sections 6 and 18 as amended by 2002 PA 473; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

TITLE

An act to license and regulate private security ~~guards,~~
~~private security police, private security guard agencies~~ **ALARM**

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1 **CONTRACTORS AND AGENCIES**, private college security forces, and
2 security alarm systems servicing, installing, operating, and
3 monitoring; to provide penalties for violations; to protect the
4 general public against unauthorized, unlicensed, and unethical
5 operations by individuals engaged in ~~private security activity or~~
6 security alarm systems sales, installations, service, maintenance,
7 and operations; to establish minimum qualifications for individuals
8 as well as private agencies engaged in the ~~security business and~~
9 security alarm systems and operations; to impose certain fees; to
10 create certain funds; ~~and to prescribe certain powers and duties of~~
11 certain private colleges and certain state departments, agencies,
12 and officers; **AND TO PRESCRIBE REMEDIES AND PENALTIES.**

13 Sec. 1. This act shall be known and may be cited as the
14 ~~"private security business and"~~ "security alarm act".

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

16 (a) "Commission" means the commission on law enforcement
17 standards created under section 3 of the commission on law
18 enforcement standards act, 1965 PA 203, MCL 28.603.

19 (b) "Department" means the department of energy, labor, and
20 economic growth except that in reference to the regulation of
21 ~~private security police and private college security forces,~~
22 department means the department of state police.

23 (c) "Governing board" means a board of regents, board of
24 trustees, board of governors, board of control, or other governing
25 body of an institution of higher education.

26 (d) "Licensee" means a ~~sole proprietorship, firm, company,~~
27 ~~partnership, limited liability company, or corporation~~ **PERSON**

1 licensed under this act.

2 (E) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, LIMITED
3 LIABILITY COMPANY, CORPORATION, OR OTHER LEGAL ENTITY.

4 (F) ~~(e)~~—"Private college security force" means a security
5 force created under section 37.

6 ~~—(f) "Private security guard" means an individual or an
7 employee of an employer who offers, for hire, to provide protection
8 of property on the premises of another, and includes an employee of
9 a private college security force.~~

10 ~~—(g) "Private security police" means that part of a business
11 organization or educational institution primarily responsible for
12 the protection of property on the premises of the business
13 organization, but does not include a private college security
14 force.~~

15 (G) ~~(h)~~—"Security alarm system" means a detection device or an
16 assembly of equipment and devices arranged to signal the presence
17 of a hazard ~~requiring~~ **THAT REQUIRES** urgent attention or to which
18 police are expected to respond. Security alarm system includes any
19 system that can electronically cause an expected response by a law
20 enforcement agency to a premises by means of the activation of an
21 audible signal, visible signal, electronic notification, or video
22 signal, or any combination of these signals, to a remote monitoring
23 location on or off the premises. Security alarm system does not
24 include a video signal that is not transmitted over a public
25 communication system or a fire alarm system or an alarm system that
26 monitors temperature, humidity, or other condition not directly
27 related to the detection of an unauthorized intrusion into a

1 premises or an attempted robbery at a premises.

2 (H) ~~(i)~~—"Security alarm system agent" means a person employed
3 by a security alarm system contractor whose duties include the
4 altering, installing, maintaining, moving, repairing, replacing,
5 selling, servicing, monitoring, responding to, or causing others to
6 respond to a security alarm system.

7 (I) ~~(j)~~—"Security alarm system contractor" means a ~~sole~~
8 ~~proprietorship, firm, company, partnership, limited liability~~
9 ~~company, or corporation~~ **PERSON** engaged in the installation,
10 maintenance, alteration, monitoring, or servicing of security alarm
11 systems or who responds to a security alarm system. Security alarm
12 system contractor does not include a business that only sells or
13 manufactures security alarm systems unless the business services
14 security alarm systems, installs security alarm systems, monitors
15 or arranges for the monitoring of a security alarm system, or
16 responds to security alarm systems at ~~the~~ **A** protected premises.

17 ~~—— (k) "Security business" means a person or business entity~~
18 ~~engaged in offering, arranging, or providing 1 or more of the~~
19 ~~following services:~~

20 ~~—— (i) Security alarm system installation, service, maintenance,~~
21 ~~alteration, or monitoring.~~

22 ~~—— (ii) Private security guard.~~

23 ~~—— (iii) Private security police.~~

24 (2) All businesses ~~furnishing~~ **THAT PROVIDE** security alarm
25 systems for the protection of persons and property, ~~—~~ **AND** whose
26 employees and security technicians travel on public property and
27 thoroughfares in the pursuit of their duties, are subject to this

1 act.

2 (3) A communications common carrier providing communications
3 channels under tariffs for the transmission of signals in
4 connection with an alarm system is not subject to this act.

5 ~~——(4) Railroad policemen appointed and commissioned under the~~
6 ~~railroad code of 1993, 1993 PA 354, MCL 462.101 to 462.451, are~~
7 ~~exempt from this act.~~

8 Sec. 3. (1) Unless licensed under this act, a ~~sole~~
9 ~~proprietorship, firm, company, partnership, limited liability~~
10 ~~company, or corporation~~ **PERSON** shall not engage in the business of
11 security alarm system contractor, ~~private security guard, private~~
12 ~~security police, OR private college security force. , patrol~~
13 ~~service, or an agency furnishing those services. A person, firm,~~
14 ~~company, partnership, limited liability company, or corporation~~
15 shall not advertise its business to be that of security alarm
16 system contractor, ~~OR security alarm system agent, private~~
17 ~~security guard agency, or an agency furnishing those services~~
18 ~~without having~~ **UNLESS IT HAS** first obtained from the department a
19 license to do so for each office and branch office to be owned,
20 conducted, managed, or maintained for the conduct of that business.

21 (2) A person shall not sell, install, operate, adjust, arrange
22 for, or contract to provide a device ~~which upon activation~~ **THAT**
23 **WHEN ACTIVATED**, either mechanically, electronically, or by any
24 other means, initiates the automatic calling or dialing of, or
25 makes a connection directly to, a telephone assigned to a public
26 service, utility, or police agency, for the purpose of delivering a
27 recorded message, without first receiving written permission from

1 that service, utility, or agency.

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

5 Sec. 4. The department may issue separate licenses to security
6 alarm system contractors ~~, AND private college security forces. ,~~
7 ~~private security police, and private security guard agencies.~~ This
8 section does not prevent a private detective or private
9 investigator licensed under the professional investigator licensure
10 act, 1965 PA 285, MCL 338.821 to 338.851, from performing the
11 services of a ~~private security guard or private security police~~
12 ~~except that a private security guard or private security police may~~
13 ~~not perform the services of a private detective or private~~
14 ~~investigator without obtaining a private detective or private~~
15 ~~investigator license~~ **WITHIN THE SCOPE OF HIS OR HER PRACTICE THAT**
16 **MAY INVOLVE ACTIVITIES REGULATED BY THIS ACT.**

17 Sec. 5. ~~The department, upon~~ **IF IT RECEIVES A** proper
18 application and ~~upon being~~ **IS** satisfied that the applicant is
19 qualified, **THE DEPARTMENT** shall issue the applicant a license to
20 conduct business as an **A SECURITY** alarm system contractor ~~or a~~
21 ~~private security guard or agency~~ for a period of 2 years from date
22 of issuance. ~~Upon the issuance of~~ **IF** a license to conduct business
23 as an **A SECURITY** alarm system contractor ~~or a private security~~
24 ~~guard or agency, the applicant shall~~ **IS ISSUED TO A PERSON, THAT**
25 **LICENSEE IS** not be required to obtain any other license from a
26 municipality or political subdivision of this state **TO ACT AS A**
27 **SECURITY ALARM SYSTEM CONTRACTOR.**

1 Sec. 6. (1) The department shall issue a license to conduct
2 business as a security alarm system contractor ~~or a private~~
3 ~~security guard, private security police, or to a private security~~
4 ~~guard business,~~ if it is satisfied that the applicant, ~~is a sole~~
5 ~~proprietorship, or if a firm, partnership, company, limited~~
6 ~~liability company, or corporation the sole or principal license~~
7 ~~holder is an individual, who~~ **IF THE APPLICANT IS AN INDIVIDUAL, OR**
8 **THE INDIVIDUAL WHO IS THE SOLE OR PRINCIPAL LICENSE HOLDER OF THE**
9 **APPLICANT IF THE APPLICANT IS A PERSON THAT IS NOT AN INDIVIDUAL,**
10 meets all of the following qualifications:

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

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

13 (c) ~~In the case of~~ **IF THE INDIVIDUAL IS** a licensee ~~under this~~
14 ~~section~~ **WHOSE LICENSE WAS ISSUED** after March 28, 2001, has not been
15 ~~under any sentence, including parole, probation, or actual~~
16 ~~incarceration, for the commission~~ **CONVICTED** of a felony.

17 (d) ~~In the case of a person licensed under this section~~ **IF THE**
18 **INDIVIDUAL IS A LICENSEE WHOSE LICENSE WAS ISSUED** on or before
19 March 28, 2001, has not been ~~under any sentence, including parole,~~
20 ~~probation, or actual incarceration, for the commission~~ **CONVICTED** of
21 a felony ~~within 5 years before~~ **IN THE 5-YEAR PERIOD PRECEDING** the
22 date of application.

23 (e) Has not been convicted of an offense listed in section
24 10(1)(c) ~~within 5 years before~~ **IN THE 5-YEAR PERIOD PRECEDING** the
25 date of application.

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

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

4 ~~—— (i) In the private security guard or agency business on his or~~
 5 ~~her own account in another state for a period of not less than 3~~
 6 ~~years.~~

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

13 ~~—— (iii) In law enforcement employment as a certified police~~
 14 ~~officer on a full time basis for not less than 4 years for a city,~~
 15 ~~county, or state government, or for the United States government.~~

16 ~~—— (iv) In the private security guard or agency business as an~~
 17 ~~employee or on his or her own account or as a security~~
 18 ~~administrator in private business for not less than 2 years on a~~
 19 ~~full time basis, and is a graduate with a baccalaureate degree or~~
 20 ~~its equivalent in the field of police administration or industrial~~
 21 ~~security from an accredited college or university.~~

22 (G) ~~(h) In the case of an~~ **IF THE** applicant **IS APPLYING** for a
 23 security alarm system contractor license, has been lawfully engaged
 24 in either or both of the following:

25 (i) ~~The~~ **A** security alarm system contractor business on his or
 26 her own account for a period of ~~not less than~~ **AT LEAST** 3 years.

27 (ii) ~~The~~ **A** security alarm system contractor business for a

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

8 (H) ~~(i) Has posted with~~ **PROVIDED** the department a ~~THE~~ bond **OR**
 9 **SURETY REQUIRED UNDER SECTION 9.** ~~provided for in this act.~~

10 (I) ~~(j) Has not been adjudged insane, unless~~ **HE OR SHE HAS**
 11 **BEEN ADJUDGED** restored to sanity by court order.

12 (J) ~~(k) Does not have~~ **IS NOT SUBJECT TO** any outstanding
 13 warrants for his or her arrest.

14 (2) ~~In the case of a sole proprietorship, firm, partnership,~~
 15 ~~company, or corporation~~ **IF A PERSON** now doing or seeking to do
 16 business in this state **IS APPLYING FOR A LICENSE UNDER THIS**
 17 **SECTION**, the resident manager shall comply with the applicable
 18 qualifications of this section.

19 Sec. 9. (1) The department ~~when~~ **SHALL ISSUE A LICENSE TO AN**
 20 **APPLICANT WHEN IT IS** satisfied of the good character, competence,
 21 and integrity of **1 OF THE FOLLOWING, AS APPLICABLE:**

22 (A) **IF THE APPLICANT IS AN INDIVIDUAL**, the applicant. ~~or if~~

23 (B) **IF** the applicant is a ~~firm, company, partnership, limited~~
 24 liability company, ~~or~~ corporation, **OR OTHER LEGAL ENTITY**, ~~of~~ its
 25 individual members or officers. ~~or, if~~

26 (C) **IF** the applicant is a private college or university, ~~of~~
 27 its governing board. ~~shall issue to the applicant a license.~~

1 (2) A LICENSE IS VALID FOR 2 YEARS, BUT THE DEPARTMENT MAY
2 REVOKE THE LICENSE AT ANY TIME FOR GOOD CAUSE SHOWN. THE DEPARTMENT
3 SHALL PRESCRIBE THE FORM OF THE LICENSE CERTIFICATE.

4 (3) The issuance of ~~the~~ **A** license is conditioned ~~upon~~ **ON** the
5 applicant's paying to the department for each license ~~\$200.00 if a~~
6 ~~sole proprietorship, or \$300.00 if a private security guard firm,~~
7 ~~company, partnership, limited liability company, or corporation, or~~
8 \$500.00 if **THE APPLICANT IS** a security alarm system contractor, and
9 ~~upon~~ **ON** the applicant's executing, delivering, and filing with the
10 department a bond in the ~~sum~~ **PRINCIPAL AMOUNT** of \$25,000.00. The
11 bond shall be conditioned ~~upon~~ **ON** the faithful and honest conduct
12 of the business by the applicant and shall be approved by the
13 department. In lieu of a bond, ~~the~~ **AN** applicant may furnish a
14 policy of insurance issued by an insurer authorized to do business
15 in this state ~~naming~~ **THAT NAMES** the licensee and the state as
16 coinsureds in the amount of \$25,000.00 for property ~~damages~~ **DAMAGE**,
17 \$100,000.00 for injury to or death of 1 person, and \$200,000.00 for
18 injuries to or deaths of more than 1 person arising out of the
19 operation of the licensed activity. ~~The license is valid for 2~~
20 ~~years but is revocable at all times by the department for cause~~
21 ~~shown.~~ The bonds shall be ~~taken in the name~~ **PAYABLE TO THE**
22 **DEPARTMENT FOR THE BENEFIT** of the people of ~~the~~ **THIS** state. ~~and a~~ **A**
23 person injured by the willful, malicious, and wrongful act of the
24 licensee or any of his or her agents or employees may bring an
25 action on the bond or insurance policy in his or her own name to
26 recover damages suffered by reason of the wrongful act. ~~The license~~
27 ~~certificate shall be in a form to be prescribed by the department.~~

1 (4) ~~(2)~~ If a licensee ~~desires~~ **INTENDS** to open a ~~1 OR MORE~~
2 branch office ~~OFFICES~~, he or she ~~THE LICENSEES~~ may receive a
3 license for that ~~EACH~~ branch following approval as required in ~~IF~~
4 **THE BRANCH LICENSE IS APPROVED UNDER** section 7 and payment to ~~THE~~
5 **LICENSEE PAYS** the department of an additional fee of \$50.00 for
6 each private security guard branch office license and \$100.00 for
7 each security alarm system contractor branch office license.

8 (5) ~~(3)~~ **A LICENSEE SHALL POST AN** additional license issued
9 under subsection ~~(2)~~ shall be posted ~~(4)~~ in a conspicuous place in
10 the branch office, and **THE ADDITIONAL LICENSE** shall expire on the
11 same date as the initial license.

12 (6) ~~(4)~~ Subject to subsection ~~(5)~~ ~~(8)~~, if the ~~A~~ license is
13 denied, revoked, or suspended for cause, ~~no refund shall be made of~~
14 ~~the license fees or a~~ **THE DEPARTMENT SHALL NOT REFUND ALL OR ANY**
15 part of the license fees **FOR THAT LICENSE**.

16 (7) ~~(5)~~ Beginning July 23, 2004, the department shall issue **OR**
17 **DENY** an **APPLICATION FOR AN** initial or renewal license ~~not later~~
18 ~~than~~ **WITHIN** 180 days after the applicant files a completed
19 application. Receipt of the ~~AN~~ application is considered **FILED ON**
20 the date the application is received by any agency or department of
21 the ~~THIS~~ state. of Michigan. If the ~~AN~~ application is considered
22 incomplete by the department, the department shall notify the
23 applicant in writing, or make the information electronically
24 available, within 30 days after receipt ~~THE FILING~~ of the
25 incomplete application, describing the deficiency and requesting
26 the additional information. ~~The~~ **A** 180-day period **DESCRIBED IN THIS**
27 **SUBSECTION** is tolled ~~upon notification by~~ **FROM THE DATE** the

1 department **NOTIFIES THE APPLICANT** of a deficiency until the date
2 the requested information is received by the department. The
3 determination of the completeness of an application does not
4 operate as an approval of ~~the~~**AN** application for the license and
5 does not confer eligibility of an applicant determined otherwise
6 ineligible for issuance of a license.

7 (8) ~~(6)~~ If the department fails to issue or deny a license
8 ~~within~~**IN** the time required by ~~by~~**UNDER** this section, the department
9 shall return the license fee and shall reduce the license fee for
10 the applicant's next renewal application, if any, by 15%. ~~The~~**A**
11 failure to issue a license ~~within~~**IN** the time required under this
12 section does not allow the department to otherwise delay the
13 processing of ~~the~~**AN** application, and ~~that application, upon~~**ON**
14 completion, ~~shall be placed~~**THE DEPARTMENT SHALL PLACE THE**
15 **APPLICATION** in sequence with **ANY** other completed applications
16 received at that same time. The department shall not discriminate
17 against an applicant in ~~the processing of the~~**AN** application based
18 ~~upon~~**ON** the fact that the license fee was refunded or discounted
19 under this subsection.

20 (9) ~~(7) Beginning October 1, 2005, the~~**THE** director of the
21 department shall submit a report by December 1 of each year to the
22 standing committees and appropriations subcommittees of the senate
23 and house of representatives concerned with occupational issues.
24 The director shall include all of the following information in the
25 report concerning the preceding fiscal year:

26 (a) The number of initial and renewal applications the
27 department received and completed within the 180-day time period

1 described in subsection ~~(5)~~-(7).

2 (b) The number of applications **THE DEPARTMENT** denied.

3 (c) The number of applicants not issued a license ~~within~~-**IN**
4 the 180-day time period **DESCRIBED IN SUBSECTION (7)** and the amount
5 of money returned to licensees and registrants under subsection ~~(6)~~
6 **(8)**.

7 **(10)** ~~(8)~~-The fees collected by the department under this
8 section shall be deposited into the security ~~business~~-**ALARM** fund
9 created in subsection ~~(9)~~-(**11**).

10 **(11)** ~~(9)~~-The security ~~business~~-**ALARM** fund is created ~~within~~-**IN**
11 the state treasury. The department shall deposit all license fees
12 collected under this act into the fund. The state treasurer may
13 receive money or other assets from any source for deposit into the
14 fund. The state treasurer shall direct the investment of the fund.
15 The state treasurer shall credit to the fund interest and earnings
16 from fund investments. Money in the fund at the close of the fiscal
17 year shall remain in the fund and be available for appropriation
18 and expenditure by the department in subsequent fiscal years. The
19 money in the fund shall not lapse to the general fund. The
20 department shall expend money from the fund, ~~upon~~-**ON** appropriation,
21 only for enforcement and administration of this act. **THE DEPARTMENT**
22 **IS THE ADMINISTRATOR OF THE FUND FOR AUDITING PURPOSES.**

23 **(12)** ~~(10)~~-As used in this section, "completed application"
24 means an application **THAT IS** complete on its face and submitted
25 with any applicable licensing fees ~~as well as~~-**AND** any other
26 information, records, approval, security, or similar item required
27 by law or rule from a local unit of government, a federal agency,

1 or a private ~~entity~~ **PERSON** but not from another department or
 2 agency of ~~the~~ **THIS** state. ~~of Michigan.~~

3 Sec. 16. A person shall not manufacture a badge or shield
 4 ~~which~~ **THAT** purports to indicate that the holder is a licensed alarm
 5 system contractor ~~,~~ **OR** alarm system agent. ~~,~~ ~~private security guard~~
 6 ~~or agency, or any of those persons as listed, in section 2.~~ A
 7 person shall not display for sale a badge, shield, identification
 8 card, or certificate of license ~~,~~ ~~by which~~ **THAT** the holder might
 9 **USE TO** mislead the public into thinking that the holder is a
 10 licensed **SECURITY** alarm system contractor ~~,~~ **OR SECURITY** alarm
 11 system agent. ~~,~~ ~~or private security guard, or agency.~~ A person ~~,~~
 12 ~~firm, company, partnership, or corporation~~ shall not distribute an
 13 identification card or certificate of license in this state except
 14 as provided by this act. A person shall not knowingly buy or
 15 receive from a source a form of spurious identification as ~~an~~ **A**
 16 **SECURITY** alarm system contractor ~~,~~ **OR SECURITY** alarm system agent.
 17 ~~,~~ ~~or a private security guard or agency.~~ A violation of this
 18 section is a misdemeanor, and **A LAW ENFORCEMENT OFFICER OF THIS**
 19 **STATE SHALL CONFISCATE** an unauthorized identification card or
 20 certificate of license. ~~shall be confiscated by a law enforcement~~
 21 ~~officer of the state.~~ Each day ~~the~~ **A violation OF THIS SECTION**
 22 ~~continues shall constitute~~ **CONSTITUTES** a separate offense.

23 Sec. 17. (1) A licensee may employ as many ~~persons~~ **INDIVIDUALS**
 24 as ~~he or she~~ **THE LICENSEE** considers necessary to assist ~~him or her~~
 25 ~~in his or her~~ **THE LICENSEE IN ITS** work ~~of~~ **AS A** security alarm
 26 system contractor ~~,~~ ~~private security police,~~ **OR** private college
 27 security force ~~,~~ ~~or private security guard~~ and **TO ASSIST** in the

1 conduct of ~~his or her~~ **THE LICENSEE'S** business. ~~and at~~ **A LICENSEE**
 2 **IS AT** all times during the employment ~~is~~ **OF A PERSON** accountable
 3 for the good conduct in the business of ~~each~~ **THAT** person. ~~so~~
 4 employed.

5 (2) ~~Employees~~ **AN INDIVIDUAL** in the employ of a licensee **WHO**
 6 **WAS HIRED** after March 28, 2001 ~~shall~~ **MUST** meet the qualifications
 7 outlined ~~DESCRIBED~~ in section 6(1)(c), (e), ~~(j)~~ **(I)**, and ~~(k)~~ **(J)**,
 8 be at least 18 years of age, and have ~~had~~ at least an eighth grade
 9 education or its equivalent. An employee in the employ of a
 10 licensee **WHO WAS HIRED** on or before March 28, 2001 ~~shall~~ **MUST** meet
 11 the qualifications outlined in section 6(1)(d), (e), ~~(j)~~ **(I)**, and
 12 ~~(k)~~ **(J)**, be at least 18 years of age, and have ~~had~~ at least an
 13 eighth grade education or its equivalent. ~~Employees~~ **AN INDIVIDUAL**
 14 **IN THE EMPLOY OF A LICENSEE WHO IS** hired by a licensee after June
 15 21, 2002 ~~shall~~ **MUST** meet the qualifications outlined in section
 16 6(1)(c), (e), ~~(j)~~ **(I)**, and ~~(k)~~ **(J)**, be at least 18 years of age,
 17 and have at least a high school diploma, a GED, or its equivalent.

18 (3) A licensee shall **MAINTAIN AND** keep ~~and maintain~~ in this
 19 state adequate and complete personnel information on all ~~persons~~
 20 ~~employed by him or her~~ **OF ITS EMPLOYEES**. **A LICENSEE SHALL FILE A**
 21 complete employee roster ~~in a manner described by the department~~
 22 ~~shall be filed with the department by each licensee on a quarterly~~
 23 basis, ~~The rosters must be filed with the~~ **IN A MANNER DETERMINED**
 24 **BY THE** department, by April 15, July 15, October 15, and January 15
 25 **OF EACH YEAR** for the preceding quarter. Failure to submit **AN**
 26 accurate ~~rosters~~ **ROSTER** is cause for suspension of ~~the~~ **A** license. **A**
 27 **THE DEPARTMENT SHALL NOT PROCESS A** renewal application ~~shall not be~~

1 ~~processed~~ if the **DEPARTMENT HAS NOT RECEIVED A** quarterly roster has
 2 ~~not been received~~ for each quarter of the preceding 2-year license
 3 period.

4 (4) If a licensee falsely states or represents that ~~a person~~
 5 **AN INDIVIDUAL** is or has been in ~~his or her~~ **THE LICENSEE'S** employ,
 6 the false statement or representation is sufficient cause for the
 7 revocation of the license.

8 (5) A person shall not falsely state or represent that he or
 9 she is an agent of a licensed security alarm system contractor ~~,~~
 10 ~~private security police officer, OR private college security force~~
 11 ~~officer. , or private security guard.~~ A person who violates this
 12 subsection is guilty of a misdemeanor punishable by imprisonment
 13 for not more than 93 days or a fine of not more than \$500.00, or
 14 both.

15 Sec. 18. (1) A licensee shall not knowingly employ ~~any person~~
 16 **AN INDIVIDUAL** who fails to meet the requirements of section 17.

17 (2) ~~The~~ **A** licensee shall cause fingerprints to be taken of all
 18 prospective employees ~~who are direct providers of~~ **WHOM** the **LICENSEE**
 19 **INTENDS TO HIRE TO PROVIDE ANY security ALARM SYSTEM business**
 20 **SERVICES DIRECTLY TO THE LICENSEE'S CUSTOMERS, which AND ENSURE**
 21 **THAT THOSE** fingerprints ~~shall be~~ **ARE** submitted to the department of
 22 state police and the federal bureau of investigation for a state
 23 and national criminal history background check, ~~The fingerprints~~
 24 ~~shall be~~ accompanied by a fingerprint processing fee in the amount
 25 prescribed by ~~IN~~ section 3 of 1935 PA 120, MCL 28.273, ~~as well as~~
 26 **AND** any fees imposed by the federal bureau of investigation. The
 27 **DEPARTMENT SHALL USE THE** results of the ~~national~~ criminal history

1 background check as ~~returned by the federal bureau of investigation~~
2 ~~to the department of state police shall be used by the department~~
3 to make a fitness determination. A licensee shall not employ a
4 ~~person who is a direct provider of the~~ **AN INDIVIDUAL TO PROVIDE ANY**
5 security **ALARM SYSTEM** business **SERVICES DIRECTLY TO THE LICENSEE'S**
6 **CUSTOMERS** before submitting fingerprints to the department of state
7 police.

8 (3) ~~The~~ **IF THE TAKING OF** fingerprints **IS** required ~~to be taken~~
9 under subsection (2), ~~may be taken by a~~ law enforcement agency or
10 any other person determined by the department of state police to be
11 qualified ~~to~~ **MAY** take **THOSE** fingerprints. If a licensee takes the
12 fingerprints, that licensee shall ~~shall~~ **MUST FIRST** obtain training in
13 taking fingerprints from the department of state police or a law
14 enforcement agency or other person determined qualified by the
15 department of state police.

16 (4) A licensee shall request the department of state police to
17 conduct a background **NAME** check of each prospective employee ~~who is~~
18 ~~a direct provider of~~ **WHOM** the **LICENSEE INTENDS TO HIRE TO PROVIDE**
19 security **ALARM SYSTEM** business ~~based upon a name check~~ **SERVICES**
20 **DIRECTLY TO THE LICENSEE'S CUSTOMERS**. The licensee shall obtain a
21 complete and signed employment application for ~~all individuals~~ **EACH**
22 **INDIVIDUAL** for whom a name check is requested and conducted. The
23 **LICENSEE SHALL RETAIN THE** employment application ~~shall be retained~~
24 for at least 1 year from the date of its submission. The department
25 of state police shall conduct the background check ~~upon~~ **ON RECEIPT**
26 **OF** a written, electronic, or telephonic request ~~of~~ **FROM** a licensee
27 accompanied by a fee of \$15.00. The **DEPARTMENT OF STATE POLICE**

1 ~~SHALL CONDUCT THE~~ background check ~~shall be conducted not later~~
 2 ~~than~~ **WITHIN** 3 days after the date a written request is made and ~~not~~
 3 ~~later than~~ **WITHIN** 24 hours after a telephonic or electronic request
 4 is made. Provisional clearance based on the name check ~~shall allow~~
 5 ~~the~~ **ALLOWS A LICENSEE TO EMPLOY THE** employee ~~to be employed as a~~
 6 security guard ~~ALARM CONTRACTOR~~, for a period of time ~~not to~~ **THAT**
 7 **DOES NOT** exceed 90 days, pending final clearance based ~~upon~~ **ON** a
 8 fingerprint check ~~as provided for in~~ **UNDER** subsection (2). If an
 9 approval is once denied, **THE LICENSEE MAY NOT AGAIN EMPLOY** that
 10 individual ~~may not again be employed as a direct provider of the~~
 11 security **ALARM SYSTEM** business ~~by the submitting licensee except~~
 12 ~~upon receipt of~~ **SERVICES UNLESS THE LICENSEE RECEIVES** an approved
 13 fingerprint clearance **FOR THAT INDIVIDUAL**. A licensee or employee
 14 of a licensee who uses a name check or results of a name check for
 15 purposes other than prospective employment is guilty of a
 16 misdemeanor punishable by imprisonment for not more than 93 days ~~7~~
 17 **OR** a fine of not more than \$1,000.00, or both.

18 (5) The department of state police may enter into an agreement
 19 with a licensee for the payment of fees imposed ~~pursuant to~~ **UNDER**
 20 this act.

21 (6) Any employee who, ~~upon~~ **ON** demand, fails to surrender to
 22 the licensee his or her identification card and any other property
 23 issued to him or her for use in connection with his or her
 24 employer's business is guilty of a misdemeanor.

25 Sec. 19. (1) ~~The~~ **A LICENSEE SHALL NOT WEAR OR ALLOW EMPLOYEES**
 26 **TO WEAR A** particular type of uniform and insignia ~~worn by a~~
 27 ~~licensee or his or her employees must be~~ **THAT IS NOT** approved by

1 the department, and ~~shall not deceive or confuse~~ **OR DECEIVES OR**
 2 **CONFUSES** the public, or ~~be~~ **IS** identical with that of a law
 3 enforcement officer of the federal government, **THIS** state, or a
 4 political subdivision of ~~the~~ **THIS** state in the community of the
 5 license holder **LICENSEE**. ~~Shoulder identification patches shall be~~
 6 ~~worn on all~~ **EACH** uniform jackets, coats, and shirts and shall
 7 ~~include~~ **JACKET, COAT, OR SHIRT WORN BY A LICENSEE OR ITS EMPLOYEES**
 8 **SHALL HAVE A SHOULDER IDENTIFICATION PATCH THAT INCLUDES** the name
 9 of the licensee. ~~or agency. Shoulder identification patches or~~
 10 ~~emblems shall not be less than~~ **A SHOULDER IDENTIFICATION PATCH**
 11 **DESCRIBED IN THIS SUBSECTION, AND ANY EMBLEM WORN ON ANY PART OF A**
 12 **UNIFORM, MUST BE AT LEAST** 3 inches by 5 inches in size.

13 (2) ~~A badge or shield shall not be worn or carried by a~~
 14 security alarm system agent, ~~private security police officer,~~ **A**
 15 private college security force officer, or an employee or licensee
 16 of a security alarm system contractor, ~~private security police~~
 17 ~~organization,~~ **OR A** private college security force, ~~or private~~
 18 security guard agency, **SHALL NOT WEAR OR CARRY A BADGE OR SHIELD**
 19 unless approved by the director of the department.

20 (3) A person who is not employed as a security guard ~~ALARM~~
 21 **CONTRACTOR OR AGENT** shall not display a badge or shield or wear a
 22 uniform of a security guard ~~ALARM CONTRACTOR OR AGENT~~. A person who
 23 violates this subsection is guilty of a misdemeanor punishable by
 24 imprisonment for not more than 93 days or a fine of not more than
 25 \$500.00, or both.

26 (4) A person licensed as a security alarm system contractor ~~or~~
 27 **OR** security alarm system agent, ~~or a private security guard or~~

1 ~~agency~~ is not authorized to carry a deadly weapon unless he or she
2 is licensed to do so in accordance with the laws of this state.

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

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

8 (2) ~~A licensee shall, upon~~ **ON** notice from and order of the
9 department, **A LICENSEE SHALL** discontinue any advertising or the use
10 of any advertisement, seal, or card that, in the opinion of the
11 department, may tend to mislead the public. Failure to comply with
12 ~~any such~~ **AN** order of the department **DESCRIBED IN THIS SUBSECTION** is
13 cause for revocation or suspension of the license.

14 (3) ~~A~~ **IF A** person **WHO IS** not licensed under this act ~~who~~
15 advertises his or her business to be that of a ~~private security~~
16 ~~guard or security alarm agency~~ **SYSTEM CONTRACTOR**, irrespective of
17 the name or title actually used, **THE PERSON** is guilty of a
18 misdemeanor punishable by imprisonment for not more than 93 days, a
19 fine of not more than \$1,000.00, or both.

20 Sec. 25. (1) Subject to section ~~9(5)~~ **9(7)**, **THE DEPARTMENT MAY**
21 **RENEW** a license granted under this act ~~may be renewed by the~~
22 ~~department upon~~ **IF THE LICENSEE FILES AN** application, ~~by the~~
23 ~~licensee, filing~~ **PROVIDES** a renewal surety bond in the amount
24 specified in **UNDER** section 9, and ~~the payment of~~ **PAYS** a renewal fee
25 ~~of~~ **IN 1 OF THE FOLLOWING AMOUNTS:**

26 (A) **IF THE LICENSEE IS AN INDIVIDUAL**, \$100.00. ~~if a sole~~
27 ~~proprietorship,~~

1 **(B) IF THE LICENSEE IS A PRIVATE COLLEGE POLICE FORCE,**
 2 \$150.00. ~~if a private security police organization, a private~~
 3 ~~college police force, or a private security guard firm, company,~~
 4 ~~partnership, limited liability company, or corporation, or~~

5 **(C) IF THE LICENSEE IS A PERSON THAT IS NOT AN INDIVIDUAL,**
 6 \$250.00. ~~if a security alarm system contractor.~~

7 (2) ~~A~~ **THE DATE OF ISSUANCE OF A** renewal license shall be dated
 8 ~~as of~~ the expiration date of the previously existing license. For
 9 the renewal of a license, the licensee shall submit an application
 10 in a form provided by the department. The department may defer the
 11 renewal of license if there is an uninvestigated outstanding
 12 criminal complaint pending against the licensee or a criminal case
 13 pending in any court against the licensee.

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

21 (4) The **DEPARTMENT SHALL DEPOSIT ANY** fees collected ~~by the~~
 22 ~~department~~ under this section shall be deposited into the security
 23 ~~business~~ **ALARM** fund created in section ~~9(9)~~ **9(11)**.

24 Sec. 26. (1) ~~Upon the death of~~ **IF** an individual licensed under
 25 ~~this act,~~ **WHO IS A LICENSEE OR AN OWNER OF A LICENSEE DIES, 1 OF**
 26 **THE FOLLOWING, AS APPLICABLE, MAY CONTINUE** the business with which
 27 the decedent was connected ~~may be carried on~~ for a period of 90

1 days: ~~by the following:~~

2 (a) ~~In the case of~~ **IF THE DECEDENT WAS** an individual licensee,
3 the surviving spouse, or ~~if there be none,~~ the executor or
4 administrator of the estate of the decedent **IF THERE IS NO**
5 **SURVIVING SPOUSE.** †

6 (b) ~~In the case of a partner~~ **IF THE DECEDENT WAS A PARTNER IN**
7 **A PARTNERSHIP,** the surviving partners. †

8 (c) ~~In the case of an officer of a firm, company, association,~~
9 ~~organization, or corporation,~~ **IF THE DECEDENT WAS AN OFFICER OF A**
10 **LICENSEE THAT IS NOT AN INDIVIDUAL OR PARTNERSHIP,** the **REMAINING**
11 ~~officers thereof~~ **OF THE LICENSEE.**

12 (2) Within 10 days following the death of a licensee, the
13 department shall be notified in writing. The notification shall
14 state the name of the person legally authorized to carry on the
15 business of the deceased **UNDER SUBSECTION (1).**

16 (3) ~~Upon the authorization of~~ **IF AUTHORIZED BY** the department,
17 the business **OF A DECEDENT DESCRIBED IN SUBSECTION (1)** may be
18 carried on for a ~~further~~ **LONGER** period of time ~~when~~ **THAN THE 90-DAY**
19 **PERIOD DESCRIBED IN SUBSECTION (1)** **IF** necessary to complete any
20 business commitments pending ~~at the death of~~ **WHEN** the decedent
21 **DIED.**

22 (4) ~~Nothing in this~~ **THIS** section shall be construed to **DOES**
23 **NOT** restrict the sale of ~~an~~ **THE SECURITY** alarm system business ~~or a~~
24 ~~private security guard agency,~~ **OF A LICENSEE IF THE LICENSEE OR AN**
25 **OWNER OF THE LICENSEE DIES,** if the vendee ~~BUYER~~ **BUYER** qualifies for a
26 license under ~~the provisions of~~ this act.

27 Sec. 29. (1) The licensure ~~DEPARTMENT OF STATE POLICE SHALL~~

1 **ADMINISTER THE LICENSING** of ~~private security police and private~~
2 ~~college security forces. shall be administered by the department of~~
3 ~~state police.~~The application, qualification, and enforcement
4 provisions under this act apply to ~~private security police and~~
5 private college security forces except that the ~~administration of~~
6 **DEPARTMENT OF STATE POLICE SHALL ADMINISTER** those provisions, ~~shall~~
7 ~~be performed by,~~ and the payment of the appropriate fees shall be
8 paid to ~~the~~ department of state police. The director of the
9 department **OF ENERGY, LABOR, AND ECONOMIC GROWTH** may jointly
10 promulgate rules with the department of state police under the
11 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
12 24.328, to facilitate the bifurcation of authority described in
13 this subsection.

14 (2) ~~This act does not require licensing of any private~~
15 ~~security guards employed for the purpose of protecting the property~~
16 ~~and employees of their employer and generally maintaining security~~
17 ~~for their employer. However, any~~ **A** person ~~, firm, limited liability~~
18 ~~company, business organization, OR~~ educational institution ~~, or~~
19 ~~corporation maintaining a private security police organization or a~~
20 private college security force may voluntarily apply for licensure
21 under this act. ~~When~~ **IF** a ~~private security police employer or~~
22 private college security force employer as described in this
23 section provides ~~the~~ **AN** employee with a pistol for the purpose of
24 protecting the property of the employer, the pistol ~~shall be~~ **IS**
25 considered the property of the employer and the employer shall
26 retain custody of the pistol, except during the actual working
27 hours of the employee. ~~All such private security people shall be~~ **AN**

1 **EMPLOYEE OF A PRIVATE COLLEGE SECURITY FORCE IS** subject to the
2 provisions of sections 17(1) and 19(1).

3 Enacting section 1. Sections 27, 30, and 31 of the private
4 security business and security alarm act, 1968 PA 330, MCL
5 338.1077, 338.1080, and 338.1081, are repealed.

6 Enacting section 2. This amendatory act does not take effect
7 unless Senate Bill No. 241

8 of the 96th Legislature is enacted into law.