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FEB 18 1999

Place On Calendar

HOUSE FILE

310

BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HF 203)

Passed House, Date ^(P.498) 3/1/99

Passed Senate, Date _____

Vote: Ayes 74 Nays 20

Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

- 1 An Act relating to the licensure or regulation of alarm system,
- 2 bail enforcement, private investigative, or private security
- 3 businesses, and providing a penalty and an effective date.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

HOUSE FILE 310

H-1036

- 1 Amend House File 310 as follows:
- 2 1. Page 1, line 14, by inserting after the word
- 3 "protected." the following: "An alarm system business
- 4 does not include a locksmith business."
- 5 2. Page 1, by inserting after line 14 the
- 6 following:
- 7 "NEW SUBSECTION. 7A "Locksmith business" means
- 8 the business of making, repairing, and installing
- 9 locks, re-keying locks, opening locks or safes, and
- 10 changing safe or lock combinations; or the making,
- 11 repairing, and installing of access control systems
- 12 which are not attached to an electronic integrated
- 13 system that directly or indirectly causes a response
- 14 by a law enforcement or security agency."
- 15 3. Page 1, line 16, by striking the word
- 16 "subsection" and inserting the following:
- 17 "subsections".
- 18 4. Page 1, by inserting after line 19 the
- 19 following:
- 20 "NEW SUBSECTION. 11. A person engaged in the
- 21 performance of activities typically performed by a
- 22 locksmith who is employed by a locksmith business."

By BRADLEY of Clinton

H-1036 FILED FEBRUARY 25, 1999

adopted 3/1/99 (P.497)

HF 310

1 Section 1. Section 80A.1, Code 1999, is amended by adding
2 the following new subsections:

3 NEW SUBSECTION. 0A. "Alarm system agency" means a person
4 engaged in the alarm system business.

5 NEW SUBSECTION. 0B. "Alarm system business" means the
6 business of providing, for a fee or other valuable
7 consideration, the installation of electronic or mechanical
8 alarm signal devices, burglar alarms, television cameras or
9 still cameras, or electronic access control systems used to
10 manually or automatically signal or detect burglary, breaking
11 and entering, shoplifting, pilferage, theft, or hold-up; and
12 the servicing or monitoring of such systems, or the design of
13 such installations, including surveys of premises to be
14 protected.

15 Sec. 2. Section 80A.2, Code 1999, is amended by adding the
16 following new subsection:

17 NEW SUBSECTION. 10. A person engaged in the business of
18 over-the-counter sales of alarm systems for installation by
19 the purchaser.

20 Sec. 3. Section 80A.3, subsections 1 and 2, Code 1999, are
21 amended to read as follows:

22 1. A person shall not operate ~~a~~ an alarm system business,
23 bail enforcement business, private investigation business, or
24 private security business, or otherwise employ persons in the
25 operation of such a business located within this state unless
26 the person is licensed by the commissioner in accordance with
27 this chapter.

28 2. A license issued under this chapter, other than an
29 alarm system business license, expires two years from the date
30 issued. An alarm system business license expires four years
31 from the date issued.

32 Sec. 4. Section 80A.4, subsection 3, Code 1999, is amended
33 by striking the subsection.

34 Sec. 5. Section 80A.5, subsection 3, Code 1999, is amended
35 to read as follows:

1 3. The fee for a two-year license for a bail enforcement
2 business, a private investigative agency, or a private
3 security agency, or for a four-year license for an alarm
4 system business, is one hundred dollars.

5 Sec. 6. NEW SECTION. 80A.6A BACKGROUND INVESTIGATIONS.

6 Each employee of an applicant or licensee regulated by this
7 chapter shall possess the qualifications required by section
8 80A.4, subsection 1. A person applying for employment on or
9 after the effective date of this Act shall not be employed by
10 an agent to work in any business regulated by this chapter
11 until the agency has completed a background investigation into
12 the character of the employee. The background investigation
13 shall include a local criminal record check with local law
14 enforcement agencies, and the submission of fingerprints to
15 the department of public safety for the purpose of conducting
16 a state and federal criminal record check on the applicant.

17 Each fingerprint submission shall include a fee as established
18 by the department by rule to offset the cost of such checks.

19 Sec. 7. Section 80A.7, subsection 1, Code 1999, is amended
20 to read as follows:

21 1. The department shall issue to each licensee in the bail
22 enforcement business, private investigation business, or
23 private security business, and to each employee of the
24 licensee, an identification card in a form approved by the
25 commissioner. The application for a permanent identification
26 card shall include a temporary identification card valid for
27 fourteen days from the date of receipt of the application by
28 the applicant.

29 Sec. 8. Section 80A.7, Code 1999, is amended by adding the
30 following new subsection:

31 NEW SUBSECTION. 5. An alarm system agency shall issue an
32 identification card to each employee engaged in the alarm
33 system business. The identification card shall include the
34 name of the employee and the employee's picture as well as the
35 name, address, and telephone number of the agency. Alarm

1 system employees shall have their identification card in their
2 immediate possession when engaged in the alarm system
3 business, and shall produce such card upon request of their
4 clients, prospective clients, or law enforcement agencies.

5 Sec. 9. Section 80A.10, subsection 1, paragraph a, Code
6 1999, is amended to read as follows:

7 a. Five thousand dollars in the case of an agency licensed
8 to conduct only an alarm system business, a bail enforcement
9 business, private security business, or a private
10 investigation business.

11 Sec. 10. Section 80A.10A, Code 1999, is amended to read as
12 follows:

13 80A.10A LICENSEE'S PROOF OF FINANCIAL RESPONSIBILITY.

14 Notwithstanding the minimum bond amount that must be filed
15 in accordance with section 80A.10, a license shall not be
16 issued unless the applicant furnishes proof acceptable to the
17 commissioner of the applicant's ability to respond in damages
18 for liability on account of accidents or wrongdoings occurring
19 subsequent to the effective date of the proof, arising out of
20 the ownership and operation of a private security business,
21 private investigation business, or bail enforcement business.
22 An alarm system business shall hold and maintain a liability
23 insurance policy in the amount of one million dollars.

24 Sec. 11. Section 80A.16, subsection 2, paragraph c, Code
25 1999, is amended to read as follows:

26 c. Falsely advertises that the person is a licensed alarm
27 system agent, private investigator, private security agent, or
28 bail enforcement agent.

29 Sec. 12. Section 80A.16, subsection 3, Code 1999, is
30 amended to read as follows:

31 3. A person who is subject to the licensing requirements
32 of this chapter and who engages in an alarm system business, a
33 private investigation business, or private security business
34 as defined in this chapter, without possessing a current valid
35 license as provided by this chapter, is guilty of a serious

1 misdemeanor.

2 | Sec. 13. EFFECTIVE DATE. This Act takes effect January 1,
3 2000.

4 | EXPLANATION

5 | This bill provides for the mandatory licensure of alarm
6 system businesses by the department of public safety, and
7 makes many of the provisions of Code chapter 80A, which
8 applies to the licensing of private investigative agencies and
9 security agents, applicable to an alarm system business. The
10 bill provides that an alarm system business refers to a
11 business providing, for a fee or other valuable consideration,
12 the design, installation, monitoring, and servicing of
13 electronic or mechanical alarm signal devices, burglar alarms,
14 television cameras or still cameras, or electronic access
15 control systems, which are used to manually or automatically
16 signal or detect burglary, breaking and entering, shoplifting,
17 pilferage, theft, or hold-up. The bill contains an exception
18 from the licensure requirements for individuals engaged in the
19 business of over-the-counter sales of alarm systems for
20 installation by the purchaser. The bill provides that a
21 licensing fee payable to the department of public safety of
22 \$100 will be imposed, and that a license, if granted, will
23 remain in force for a four-year duration.

24 | The bill provides that each employee of an applicant or
25 licensee regulated by Code chapter 80A, employed on or after
26 the effective date of the bill, will be subject to a
27 background investigation into the character of the employee.
28 This would apply to all licensees under the chapter, including
29 bail enforcement businesses and private investigation
30 businesses in addition to alarm system businesses.
31 Previously, Code section 80A.4, subsection 3, provided that
32 the eligibility criteria applicable to licensees in subsection
33 1 of that section also applied to employees. The criteria
34 included such factors as not having been convicted of a felony
35 or aggravated misdemeanor, not having a history of repeated

1 acts of violence, not having been convicted of illegally
2 using, carrying, or possessing a dangerous weapon, among
3 others. The bill deletes that subsection, but moves these
4 provisions applicable to employees to a new section and
5 combines them with a background investigation requirement.
6 The background investigation will include a criminal record
7 check with local law enforcement agencies, and the submission
8 of fingerprints to the department of public safety for a state
9 and federal criminal record check. The bill provides that a
10 fee for the fingerprint submission shall be established by the
11 department of public safety by rule.

12 The bill additionally provides that alarm system agencies
13 will be required to issue an identification card to each
14 employee, to be retained in the employee's possession at all
15 times in which the employee is engaged in the alarm system
16 business. The requirement contained in Code section 80A.10,
17 subsection 1, paragraph "a", regarding the posting of a \$5,000
18 surety bond is made applicable to alarm system businesses, and
19 the bill provides that an alarm system business will be
20 required to maintain a liability insurance policy in the
21 amount of \$1 million. The bill further provides that the
22 criminal penalty provisions of Code section 80A.16 regarding
23 violating provisions of the chapter, making false statements
24 on an application, and false advertisement of licensure, are
25 applicable to alarm system businesses.

26 The bill would take effect January 1, 2000.

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S. 3/2/99 State Gov.
S. 4/1/99 Do Pass

HOUSE FILE **310**
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HF 203)

(As Amended and Passed by the House, March 1, 1999)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
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