

SENATE BILL No. 162

February 25, 2015, Introduced by Senators BOOHER and JOHNSON 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 2, 3, 4, 5, 6, 8, 9, 10, 11, 13,
14, 15, 16, 17, 18, 22, 25, 26, 29, 31, and 33 (MCL 338.1052,
338.1053, 338.1054, 338.1055, 338.1056, 338.1058, 338.1059,
338.1060, 338.1061, 338.1063, 338.1064, 338.1065, 338.1066,
338.1067, 338.1068, 338.1072, 338.1075, 338.1076, 338.1079,
338.1081, and 338.1083), the title and sections 3, 4, 8, 14, 17,
25, and 29 as amended by 2010 PA 68, section 2 as amended by 2012
PA 581, sections 6 and 9 as amended by 2014 PA 128, sections 10,
13, 18, and 31 as amended by 2002 PA 473, section 11 as amended by
2004 PA 270, and sections 22 and 33 as amended by 2000 PA 411, and
by adding section 15a; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

TITLE

1 An act to license and regulate ~~private security guards,~~
 2 private security police **FORCES**, ~~private security guard agencies,~~
 3 private college security forces, and security alarm systems
 4 servicing, installing, operating, and monitoring; ~~to provide~~
 5 ~~penalties for violations;~~ to protect the general public against
 6 unauthorized, unlicensed, and unethical operations by ~~individuals~~
 7 **PERSONS** engaged in ~~private security activity or security alarm~~
 8 ~~systems sales, installations, service, maintenance, and operations;~~
 9 ~~to establish minimum qualifications for individuals as well as~~
 10 ~~private agencies engaged in the security business and security~~
 11 ~~alarm systems and operations;~~ **ACTIVITIES REGULATED UNDER THIS ACT;**
 12 to impose ~~certain fees; to create certain funds;~~ and to prescribe
 13 ~~certain powers and duties of certain private colleges~~ **THAT EMPLOY**
 14 **OR ENGAGE PRIVATE COLLEGE SECURITY FORCES, PERSONS THAT EMPLOY OR**
 15 **ENGAGE PRIVATE SECURITY POLICE FORCES,** and certain state
 16 departments, agencies, and officers; **AND TO PRESCRIBE REMEDIES AND**
 17 **PENALTIES.**

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

19 **(A) "ARMED FORCES" MEANS THAT TERM AS DEFINED IN SECTION 2 OF**
 20 **THE VETERAN RIGHT TO EMPLOYMENT SERVICES ACT, 1994 PA 39, MCL**
 21 **35.1092.**

22 **(B)** ~~(a)~~ "Commission" means the commission on law enforcement
 23 standards created under section 3 of the commission on law
 24 enforcement standards act, 1965 PA 203, MCL 28.603.

25 **(C)** ~~(b)~~ "Department" means **1 OF THE FOLLOWING:**

26 **(i) IN REFERENCE TO THE REGULATION OF SECURITY ALARM SYSTEM**
 27 **CONTRACTORS, SECURITY ALARM SYSTEM AGENTS, OR SECURITY ALARM SYSTEM**

1 **SALES, INSTALLATION, SERVICE, MAINTENANCE, OR OPERATIONS**, the
2 department of licensing and regulatory affairs. ~~except that in~~

3 (ii) **IN** reference to the regulation of private security police
4 and private college security forces, ~~department means the~~
5 department of state police.

6 (D) **"GOOD CHARACTER" MEANS GOOD MORAL CHARACTER AS DEFINED AND**
7 **DETERMINED UNDER 1974 PA 381, MCL 338.41 TO 338.47.**

8 (E) ~~(e)~~-"Governing board" means a board of regents, board of
9 trustees, board of governors, board of control, or other governing
10 body of an institution of higher education.

11 (F) ~~(d)~~-"Licensee" means a person licensed under this act.

12 (G) ~~(e)~~-"Person" means an individual, limited liability
13 company, corporation, or other legal entity.

14 (H) **"PRINCIPAL LICENSE HOLDER" MEANS AN INDIVIDUAL DESIGNATED**
15 **UNDER SECTION 15A.**

16 (I) ~~(f)~~-"Private college security force" means a security
17 force authorized under section 37.

18 ~~— (g) "Private security guard" means an individual or an~~
19 ~~employee of an employer who offers, for hire, to provide protection~~
20 ~~of property on the premises of another, and includes an employee of~~
21 ~~a private college security force.~~

22 (J) ~~(h)~~-"Private security police **FORCE**" means that part of a
23 business organization or educational institution primarily
24 responsible for the protection of property on the premises of the
25 business organization **OR EDUCATIONAL INSTITUTION**, but does not
26 include a private college security force.

27 (K) ~~(i)~~-"Security alarm system" means a detection device or an

1 assembly of equipment and devices that is arranged to signal the
2 presence of a hazard that requires urgent attention and is remotely
3 monitored by a central monitoring system. Security alarm system
4 includes any system that can electronically cause an expected
5 response by a law enforcement agency to a premises by means of the
6 activation of an audible signal, visible signal, electronic
7 notification, or video signal, or any combination of these signals,
8 to a remote monitoring location on or off the premises. Security
9 alarm system does not include any of the following:

10 (i) A video signal that is not transmitted over a public
11 communication system.

12 (ii) A fire alarm system.

13 (iii) An alarm system that monitors temperature, humidity, or
14 other condition that is not directly related to the detection of an
15 unauthorized intrusion into a premises or an attempted robbery at a
16 premises.

17 (iv) A system that is not monitored by a central monitoring
18 station and does not set off an audible alarm.

19 (I) ~~(j)~~ "Security alarm system agent" means an individual
20 employed by a security alarm system contractor whose duties include
21 the altering, installing, maintaining, moving, repairing,
22 replacing, selling, servicing, monitoring, responding to, or
23 causing others to respond to a security alarm system.

24 (M) ~~(k)~~ "Security alarm system contractor" means a person **THAT**
25 **IS** engaged in the installation, maintenance, alteration,
26 monitoring, or servicing of security alarm systems or ~~who~~ **THAT**
27 responds to a security alarm system. Security alarm system

1 contractor does not include a ~~ANY OF THE FOLLOWING:~~

2 (i) A business that only sells or manufactures security alarm
3 systems unless the business services security alarm systems,
4 installs security alarm systems, monitors or arranges for the
5 monitoring of a security alarm system, or responds to security
6 alarm systems at a protected premises.

7 (ii) A SECURITY GUARD AGENCY THAT IS LICENSED UNDER ARTICLE 14A
8 OF THE OCCUPATIONAL CODE, 1980 PA 299, MCL 339.1421 TO 339.1443,
9 AND WHOSE EMPLOYEES OR AGENTS USE CLIENT-INSTALLED EQUIPMENT OR
10 EQUIPMENT INSTALLED BY A SECURITY ALARM SYSTEM CONTRACTOR THAT IS
11 LICENSED UNDER THIS ACT FOR THE PURPOSE OF PROTECTING THE PERSONNEL
12 AND PROPERTY OF A CLIENT OF THE SECURITY GUARD AGENCY. AS USED IN
13 THIS SUBPARAGRAPH:

14 (A) "EQUIPMENT" INCLUDES, BUT IS NOT LIMITED TO, ACCESS
15 CONTROL EQUIPMENT; VIDEO SURVEILLANCE AND RECORDING EQUIPMENT;
16 AUDIO COMMUNICATION EQUIPMENT; INTRUSION DETECTION AND PREVENTION
17 EQUIPMENT; AND AUTOMATED BARRIERS.

18 (B) "NORMAL END USER FUNCTIONS" INCLUDES, BUT IS NOT LIMITED
19 TO, VIDEO AND ALARM MONITORING; RETRIEVING VIDEO HISTORY FOR USE BY
20 A CLIENT, SECURITY, OR LAW ENFORCEMENT; ALLOWING OR DENYING ENTRY
21 TO INDIVIDUALS OR VEHICLES BY CONTROLLED ACCESS EQUIPMENT;
22 MAINTAINING DATABASES; OR AUDIO COMMUNICATION. NORMAL END USER
23 FUNCTIONS MAY BE PERFORMED ON-SITE OR FROM A REMOTE FACILITY OF A
24 CLIENT.

25 (C) "USE" MEANS ONLY NORMAL END USER FUNCTIONS AND CAPABILITY
26 THAT IS INSTALLED OR PROVIDED BY A SECURITY ALARM SYSTEM CONTRACTOR
27 TO A CLIENT.

(iii) A SECURITY GUARD AGENCY THAT IS LICENSED UNDER ARTICLE 14A OF THE OCCUPATIONAL CODE, 1980 PA 299, MCL 339.1421 TO 339.1443, AND WHOSE EMPLOYEES OR AGENTS RESPOND TO BURGLAR, FIRE, OR SUPERVISORY ALARMS FOR THE PURPOSE OF SECURING THE PROPERTY AND ENSURING THE SAFETY OF INDIVIDUALS IN OR ON THAT PROPERTY. AS USED IN THIS SUBPARAGRAPH, "RESPOND" MAY INCLUDE REVIEWING ALARM HISTORY, RESETTING THE ALARM, AND, IF AUTHORIZED, PERFORMING OTHER NORMAL END USER TASKS INCLUDING BYPASSING A PROTECTED ZONE IF NECESSARY TO RESET THE ALARM SYSTEM.

(N) ~~(I)~~ "Security business" means a person engaged in offering, arranging, or providing 1 or more of the following services:

(i) Security alarm system installation, service, maintenance, alteration, or monitoring.

~~(ii) Private security guard.~~

(ii) ~~(iii)~~ Private security police.

(2) ~~All businesses that provide~~ **EXCEPT AS PROVIDED IN SUBSECTION (5), A PERSON THAT PROVIDES** security alarm systems for the protection of persons and property and whose employees and security technicians travel on public property and thoroughfares in the pursuit of their duties ~~are~~ **IS** subject to this act.

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

(4) A railroad ~~policeman~~ **POLICE OFFICER** who is appointed and commissioned under the railroad code of 1993, 1993 PA 354, MCL 462.101 to 462.451, is not subject to this act.

1 (5) A system provider, as defined in section 2 of the security
2 alarm systems act, 2012 PA 580, MCL 338.2182, that ~~is registered~~
3 **HAS FILED A REGISTRATION STATEMENT WITH THE DEPARTMENT** under the
4 security alarm systems act, 2012 PA 580, MCL 338.2181 TO 338.2187,
5 is not subject to this act.

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

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

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

4 Sec. 4. (1) The department may issue separate licenses to
 5 security alarm system contractors, private college security forces,
 6 **AND** private security police. ~~, and private security guard agencies.~~

7 (2) This ~~section~~**ACT** does not prevent a private detective or
 8 private investigator licensed under the professional investigator
 9 licensure act, 1965 PA 285, MCL 338.821 to 338.851, from performing
 10 the services of a ~~AN OFFICER OF A private security guard COLLEGE~~
 11 **SECURITY FORCE** or private security police ~~except that a FORCE.~~
 12 **HOWEVER, AN OFFICER OF A private COLLEGE security guard FORCE** or
 13 private security police **FORCE** may not perform the services of a
 14 private detective or private investigator without obtaining a
 15 private detective or private investigator license **UNDER THAT ACT.**

16 Sec. 5. (1) ~~The department, upon~~**IF IT RECEIVES A** proper
 17 application and ~~upon being~~**IS** satisfied that the applicant is
 18 qualified, **THE DEPARTMENT** shall issue ~~the~~**AN** applicant a license to
 19 conduct business as ~~an~~**A SECURITY** alarm system contractor ~~or a~~
 20 ~~private security guard or agency~~ for a period of 2 years from date
 21 of issuance. ~~Upon the issuance of a license to conduct business as~~
 22 ~~an alarm system contractor or a private security guard or agency,~~
 23 ~~the applicant shall not be~~

24 (2) **A PERSON THAT IS LICENSED UNDER THIS ACT AS A SECURITY**
 25 **ALARM SYSTEM CONTRACTOR, PRIVATE COLLEGE SECURITY FORCE, OR PRIVATE**
 26 **SECURITY POLICE FORCE IS NOT** required to obtain any other license
 27 from a municipality or political subdivision of this state **TO**

1 CONDUCT BUSINESS AS A SECURITY ALARM SYSTEM CONTRACTOR, PRIVATE
 2 COLLEGE SECURITY FORCE, OR PRIVATE SECURITY POLICE FORCE IN THAT
 3 MUNICIPALITY OR POLITICAL SUBDIVISION.

4 Sec. 6. ~~(1)~~The department shall issue a license to conduct
 5 business as a security alarm system contractor, ~~or a private~~
 6 security guard, **FORCE, OR** private security police, ~~or to a private~~
 7 ~~security guard business, FORCE~~ if it is satisfied that the
 8 applicant, if the applicant is an individual, or the individual who
 9 is the ~~sole or principal~~ license holder of the applicant if the
 10 applicant is not an individual, meets all of the following
 11 qualifications:

12 (a) Is ~~not less than~~ **AT LEAST** 21 years of age. However, this
 13 subdivision does not apply to an applicant described in subdivision
 14 ~~(g) (v)~~. **(F)**.

15 (b) ~~Has a high school education or its equivalent.~~ **GRADUATED**
 16 **FROM HIGH SCHOOL OR PASSED THE GENERAL EDUCATION DEVELOPMENT (GED)**
 17 **TEST OR ANOTHER GRADUATE EQUIVALENCY EXAMINATION APPROVED BY THE**
 18 **DEPARTMENT.**

19 (c) If the applicant's license is issued after March 28, 2001,
 20 has not been convicted of a felony.

21 (d) If the applicant's license was issued on or before March
 22 28, 2001, was not convicted of a felony in the 5-year period
 23 preceding the date of application.

24 (e) Was not convicted of an offense listed in section 10(1)(c)
 25 in the 5-year period preceding the date of application.

26 (f) If he or she served in the armed forces, was separated
 27 from that service, and provides a form DD214, DD215, or any other

1 form satisfactory to the department that demonstrates he or she was
2 separated from that service, with an honorable character of service
3 or under honorable conditions (general) character of service.

4 ~~—— (g) If the applicant is applying for a private security guard
5 or agency license, meets any of the following:~~

6 ~~—— (i) Was engaged in the private security guard or agency
7 business on his or her own account in another state for a period of
8 at least 3 years.~~

9 ~~—— (ii) Was engaged in the private security guard or agency
10 business for a period of at least 4 years as an employee of the
11 holder of a certificate of authority to conduct a private security
12 guard or agency business and has experience reasonably equivalent
13 to at least 4 years of full time guard work in a supervisory
14 capacity with rank above that of patrolman.~~

15 ~~—— (iii) Was employed in law enforcement as a certified police
16 officer on a full time basis for at least 4 years for a city,
17 county, or state government or for the United States government.~~

18 ~~—— (iv) Was engaged in the private security guard or agency
19 business as an employee or on his or her own account or as a
20 security administrator in private business for at least 2 years on
21 a full time basis, and is a graduate with a baccalaureate degree or
22 its equivalent in the field of police administration or industrial
23 security from an accredited college or university.~~

24 ~~—— (v) Served in the armed forces; while serving in the armed
25 forces, acted as a military police officer or in an equivalent job
26 classification for at least 2 years; was separated from that
27 service, and provides a form DD214, DD215, or any other form~~

1 ~~satisfactory to the department that demonstrates he or she was~~
2 ~~separated from that service, with an honorable character of service~~
3 ~~or under honorable conditions (general) character of service; and~~
4 ~~has, and provides with his or her application an affidavit signed~~
5 ~~by a commanding officer, supervisor, or military superior with~~
6 ~~direct knowledge of the applicant's service that he or she has,~~
7 ~~entry level experience in or basic knowledge of each of the~~
8 ~~following:~~

9 ~~—— (A) Enforcing rules, regulations, and guidelines.~~

10 ~~—— (B) Providing security and physical protection.~~

11 ~~—— (C) Area and site security operations.~~

12 ~~—— (D) Overseeing prisoners and correctional facilities.~~

13 ~~—— (E) Reconnaissance and surveillance.~~

14 (G) ~~(h)~~ If the applicant is applying for a security alarm
15 system contractor license, has been lawfully engaged in either or
16 both of the following:

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

19 (ii) A security alarm system contractor business for a period
20 of ~~not less than~~ **AT LEAST** 4 years as an employee of the holder of a
21 certificate of authority to conduct a security alarm system
22 contractor business, and has experience reasonably equivalent to at
23 least 4 years of full-time work in a supervisory capacity or passes
24 a written exam administered by the department designed to measure
25 his or her knowledge and training in security alarm systems.

26 (H) ~~(i) Provided~~ **HAS PROVIDED** the department the bond or
27 surety required under section 9.

1 (I) ~~(j)~~ Has not been adjudged insane, unless he or she has
2 been adjudged restored to sanity by court order.

3 (J) ~~(k)~~ Is not subject to any outstanding warrants for his or
4 her arrest.

5 ~~—— (2) If a person now doing or seeking to do business in this~~
6 ~~state is applying for a license under this section, the resident~~
7 ~~manager shall comply with the applicable qualifications of this~~
8 ~~section.~~

9 ~~—— (3) As used in this section and section 9, "armed forces"~~
10 ~~means that term as defined in section 2 of the veteran right to~~
11 ~~employment services act, 1994 PA 39, MCL 35.1092.~~

12 Sec. 8. (1) ~~Each~~ **AN** applicant, **IF THE APPLICANT IS AN**
13 **INDIVIDUAL, OR THE PRINCIPAL LICENSE HOLDER OF ANY OTHER APPLICANT,**
14 **FOR A LICENSE UNDER THIS ACT** shall sign and verify ~~the~~ **AN**
15 application ~~. Each~~ **FOR THAT LICENSE. THE** application shall contain
16 at least all of the following:

17 ~~—— (a) The name and principal address where the individual or~~
18 ~~business entity is located in this state.~~

19 ~~—— (b) The address and location of any branch office of the~~
20 ~~business.~~

21 **(A) THE APPLICANT'S NAME AND THE ADDRESS OF THE APPLICANT'S**
22 **PRINCIPAL PLACE OF BUSINESS.**

23 **(B) IF THE APPLICANT IS NOT THE LICENSEE, THE LICENSEE'S NAME**
24 **AND THE ADDRESS OF THE LICENSEE'S PRINCIPAL PLACE OF BUSINESS.**

25 **(C) THE ADDRESS OF EACH LOCATION IN THIS STATE, INCLUDING ANY**
26 **BRANCH OFFICES IN THIS STATE, AT WHICH THE LICENSEE CONDUCTS OR**
27 **WILL CONDUCT BUSINESS.**

1 (D) IF APPLICABLE, THE NAME OF THE INDIVIDUAL DESIGNATED BY
2 THE APPLICANT OR LICENSEE AS THE PRINCIPAL LICENSE HOLDER OF THE
3 LICENSEE.

4 (E) ~~(e)~~ The certificate of incorporation of the business, if
5 applicable.

6 ~~(2) Each applicant shall submit 2 passport quality photographs~~
7 ~~of the applicant with the application. If the applicant is a~~
8 ~~business entity, the resident manager of the business shall submit~~
9 ~~2 passport quality photographs of himself or herself.~~

10 (2) ~~(3)~~ This section does not apply to a private college
11 security force.

12 Sec. 9. (1) The department shall issue a license to an
13 applicant when the requirements of this act are met and the
14 department is satisfied of the good character, competence, and
15 integrity of the applicant, if the applicant is an individual, or
16 if the applicant is ~~an entity~~ **A PERSON** other than **AN INDIVIDUAL OR**
17 a private college or university, of its individual members or
18 officers, or, if the applicant is a private college or university,
19 of its governing board.

20 (2) A license issued under this act is valid for 2 years, but
21 the department may revoke a license at any time for good cause
22 shown. The department shall prescribe the form of a license
23 certificate.

24 (3) The department shall not issue a license under this act
25 unless the applicant pays the department a fee of \$500.00 if the
26 applicant is a security alarm system contractor, or for any other
27 applicant, 1 of the following fees, as appropriate:

1 (a) If the applicant is an individual, ~~or sole proprietorship,~~
2 \$200.00.

3 (b) If the applicant is an ~~entity,~~ **NOT AN INDIVIDUAL**, \$300.00.

4 (4) ~~The department shall not issue a license under this act~~
5 ~~unless the applicant provides the department a bond in the~~
6 ~~principal amount of \$25,000.00. The bond shall be conditioned on~~
7 ~~the faithful and honest conduct of the business by the applicant~~
8 ~~and approved by the department. In lieu of a bond, an applicant may~~
9 ~~furnish a policy of insurance issued by an insurer authorized to do~~
10 ~~business in this state that names the licensee and the state as~~
11 ~~coinsureds in the amount of \$25,000.00 for property damages,~~
12 ~~\$100,000.00 for injury to or death of 1 person, and \$200,000.00 for~~
13 ~~injuries to or deaths of more than 1 person arising out of the~~
14 ~~operation of the licensed activity. The bond shall be payable for~~
15 ~~the benefit of the people of the state and a person injured by the~~
16 ~~willful, malicious, and wrongful act of the licensee or any agents~~
17 ~~or employees of a licensee may bring an action on the bond or~~
18 ~~insurance policy in his or her own name to recover damages suffered~~
19 ~~by reason of the wrongful act.~~ **THE DEPARTMENT SHALL NOT ISSUE A**

20 **LICENSE UNDER THIS ACT IF THE APPLICANT DOES NOT PROVIDE THE**
21 **DEPARTMENT WITH PROOF, IN THE FORM OF A CERTIFICATE OF INSURANCE,**
22 **THAT IT HAS AND MAINTAINS A POLICY OF LIABILITY INSURANCE THAT IS**
23 **ISSUED BY AN AUTHORIZED INSURER, AS DEFINED IN SECTION 108 OF THE**
24 **INSURANCE CODE OF 1956, 1956 PA 218, MCL 500.108; NAMES THIS STATE**
25 **AS AN ADDITIONAL INSURED; PROVIDES COVERAGE IN THE AMOUNT OF AT**
26 **LEAST \$400,000.00 PER OCCURRENCE; AND REQUIRES THE INSURER TO**
27 **PROVIDE THE DEPARTMENT WITH NOTICE OF CANCELLATION OF THE POLICY AT**

1 LEAST 30 DAYS BEFORE THE EFFECTIVE DATE OF THE CANCELLATION. A
2 CERTIFICATE OF INSURANCE REQUIRED UNDER THIS SUBSECTION MUST STATE
3 THAT THE POLICY MEETS ALL OF THESE REQUIREMENTS.

4 (5) If a ~~licensee~~-LICENSED SECURITY ALARM SYSTEM CONTRACTOR
5 intends to open 1 or more branch offices, the ~~licensees~~-SECURITY
6 ALARM SYSTEM CONTRACTOR may receive a license for each branch if
7 the branch license is approved under section 7 and the ~~licensee~~
8 SECURITY ALARM SYSTEM CONTRACTOR pays the department an additional
9 fee of ~~\$50.00 for each private security guard branch office license~~
10 ~~and \$100.00 for each security alarm system contractor branch office~~
11 license.

12 (6) A ~~licensee~~-LICENSED SECURITY ALARM SYSTEM CONTRACTOR shall
13 post an additional license issued under subsection (5) in a
14 conspicuous place in the branch office, and each additional license
15 expires on the same date as the initial license.

16 (7) Subject to subsection (8), if a license is denied,
17 revoked, or suspended for cause, the department shall not refund
18 the license fees or any part of the license fees.

19 (8) Beginning July 23, 2004, the department shall issue or
20 deny an application for an initial or renewal license within 180
21 days after the applicant files a completed application. An
22 application is considered received on the date the application is
23 received by any agency or department of this state. If an
24 application is considered incomplete by the department, the
25 department shall notify the applicant in writing, or make the
26 information electronically available, within 30 days after the
27 department receives the incomplete application, describing the

1 deficiency and requesting the additional information. A 180-day
2 period described in this subsection is tolled from the date the
3 department notifies the applicant of a deficiency until the date
4 the requested information is received by the department. The
5 determination of the completeness of an application does not
6 operate as an approval of the application for the license and does
7 not confer eligibility of an applicant determined otherwise
8 ineligible for issuance of a license.

9 (9) If the department fails to issue or deny a license in the
10 time required under this section, the department shall return the
11 license fee and shall reduce the license fee for the applicant's
12 next renewal application, if any, by 15%. The failure to issue a
13 license in the time required under this section does not allow the
14 department to otherwise delay the processing of an application, and
15 on completion, the department shall place the application in
16 sequence with any other completed applications received at that
17 same time. The department shall not discriminate against an
18 applicant in processing an application based on the fact that the
19 license fee was refunded or discounted under this subsection.

20 (10) Beginning October 1, 2005, the director of the department
21 shall submit a report by December 1 of each year to the standing
22 committees and appropriations subcommittees of the senate and house
23 of representatives concerned with occupational issues. The director
24 shall include all of the following information in the report
25 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 (8).

2 (b) The number of applications denied.

3 (c) The number of applicants not issued a license within the
4 180-day time period and the amount of money returned to licensees
5 and registrants under subsection ~~(8)~~ **(9)**.

6 (11) The fees collected by the department under this section
7 shall be deposited into the security business fund created in
8 subsection (12).

9 (12) The security business fund is created in the state
10 treasury. The department shall ~~deposit~~ **FORWARD** all license fees
11 collected under this act **TO THE STATE TREASURER FOR DEPOSIT** into
12 the fund. The state treasurer may receive money or other assets
13 from any source for deposit into the fund. The state treasurer
14 shall direct the investment of the fund. The state treasurer shall
15 credit to the fund interest and earnings from fund investments.
16 Money in the fund at the close of the fiscal year shall remain in
17 the fund and be available for appropriation and expenditure by the
18 department in subsequent fiscal years. The money in the fund shall
19 not lapse to the general fund. The department shall expend money
20 from the fund, on appropriation, only for enforcement and
21 administration of this act. The department is the administrator of
22 the fund for auditing purposes.

23 (13) The department, or the department of state police if
24 section 29 applies, shall waive an initial license fee required
25 under this section, or any application processing fee charged by
26 the department for an initial license, if the applicant is an
27 individual who served in the armed forces and he or she provides to

1 the department a form DD214, form DD215, or any other form that is
2 satisfactory to the department that demonstrates he or she was
3 separated from that service with an honorable character of service
4 or under honorable conditions (general) character of service.

5 (14) As used in this section, "completed application" means an
6 application that is complete on its face and submitted with any
7 applicable licensing fees and any other information, records,
8 approval, security, or similar item required by law or rule from a
9 local unit of government, a federal agency, or a private person but
10 not from another department or agency of this state.

11 Sec. 10. (1) The department may revoke any license issued
12 under this act if it determines, upon good cause shown, that the
13 licensee or his or her manager, if the licensee is an individual,
14 or if the licensee is not an individual, that any of its officers,
15 directors, partners or its manager, has done any of the following:

16 (a) Made any false statements or given any false information
17 in connection with an application for a license or a renewal or
18 reinstatement of a license.

19 (b) Violated any provision of this act.

20 (c) Been, while licensed or employed by a licensee, convicted
21 of a felony or a misdemeanor involving any of the following:

22 (i) Dishonesty or fraud.

23 (ii) Unauthorized divulging or selling of information or
24 evidence.

25 (iii) Impersonation of a law enforcement officer or employee of
26 the United States, this state, or a political subdivision of this
27 state.

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

(v) Two or more alcohol related offenses.

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

(vii) An assault.

(d) Knowingly submitted any of the following:

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

(ii) Fingerprints ~~not belonging~~ **THAT DO NOT BELONG** to the prospective employee.

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

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

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

Sec. 11. The department shall not refund a license or application fee unless a showing is made of mistake, inadvertence, error in the collection of the fee, or noncompliance with the time periods described in section ~~9(5)~~ **9(8)**.

Sec. 13. (1) ~~Any~~ **A LICENSEE SHALL REPORT ANY** change in the name or location of ~~the agency or of a branch office or subagency~~

1 ~~shall be reported by the~~ A licensee OR BRANCH OFFICE to the
2 department at least 10 days before the change becomes effective. 7
3 ~~upon receipt of which~~ IF IT RECEIVES A REPORT UNDER THIS
4 SUBSECTION, the department shall prepare and forward a certificate
5 showing the change. The licensee shall return the old certificate
6 within 3 business days after the change.

7 (2) Failure to notify the department of a change in name or
8 location UNDER THIS SECTION may result in license suspension.

9 Sec. 14. ~~(1) Upon issuing a license, the department shall~~
10 ~~issue an identification card to the principal license holder, and~~
11 ~~if the licensee is a partner in a partnership to each partner, and~~
12 ~~if the license holder is a corporation to each resident officer or~~
13 ~~manager but only if requested by a resident officer or manager.~~

14 ~~—— (2) The form and contents of the identification card shall be~~
15 ~~prescribed by the department, and the card shall be recalled by the~~
16 ~~department if the license is revoked.~~

17 ~~—— (3) Only 1 identification card shall be issued for each person~~
18 ~~entitled to receive it. The licensee is responsible for the~~
19 ~~maintenance, custody, and control of the identification card and~~
20 ~~shall not let, loan, sell, or otherwise permit unauthorized persons~~
21 ~~or employees to use it. This section does not prevent an agency~~
22 ~~from issuing its own identification cards to its employees if they~~
23 ~~are approved as to form and content by the department. The~~
24 ~~individual card shall not bear the seal of the state, and the~~
25 ~~employee shall be designated as either security alarm system agent,~~
26 ~~private security police officer, private college security force~~
27 ~~officer, security guard, or security technician.~~

1 (1) ~~(4)~~ The department may suspend a license issued under this
 2 act if the licensee fails to comply with any of the requirements of
 3 this act. Unless a license is required to be revoked for a
 4 violation of this act, the department shall reinstate a suspended
 5 license ~~upon~~ **IF** the licensee ~~complying~~ **COMPLIES** with this act and
 6 ~~the licensee paying~~ **PAYS** a \$100.00 reinstatement fee.

7 (2) ~~(5)~~ ~~Upon~~ **IF IT RECEIVES A** proper application and for
 8 sufficient reasons shown, the department may issue ~~duplicates~~ **A**
 9 **DUPLICATE** of the original certificate of license. ~~or identification~~
 10 ~~card.~~

11 Sec. 15. (1) A license issued under the provisions of this act
 12 is not assignable, and is personal to ~~such~~ **THE** licensee.

13 (2) **A DESIGNATION OF AN INDIVIDUAL AS A LICENSEE'S PRINCIPAL**
 14 **LICENSE HOLDER UNDER SECTION 15A IS NOT AN ASSIGNMENT OF THE**
 15 **LICENSE OF THE LICENSEE UNDER SUBSECTION (1).**

16 **SEC. 15A. (1) A LICENSEE THAT IS NOT AN INDIVIDUAL, OR AN**
 17 **APPLICANT THAT IS APPLYING FOR A LICENSE ON BEHALF OF A PERSON THAT**
 18 **IS NOT AN INDIVIDUAL, AS APPLICABLE, SHALL DESIGNATE AN INDIVIDUAL**
 19 **AS THE PRINCIPAL LICENSE HOLDER OF THAT LICENSEE.**

20 (2) **AN INDIVIDUAL DESIGNATED AS A LICENSEE'S PRINCIPAL LICENSE**
 21 **HOLDER IS AUTHORIZED TO ACT ON BEHALF OF THE LICENSEE FOR PURPOSES**
 22 **OF THIS ACT.**

23 (3) **IF ITS PRINCIPAL LICENSE HOLDER IS NO LONGER AUTHORIZED TO**
 24 **ACT IN THAT CAPACITY ON THE LICENSEE'S BEHALF, OR IS NO LONGER**
 25 **AVAILABLE TO ACT IN THAT CAPACITY FOR ANY REASON, THE LICENSE IS**
 26 **AUTOMATICALLY SUSPENDED. HOWEVER, ON REQUEST, THE DEPARTMENT MAY**
 27 **PERMIT THE LICENSE TO STAY IN FORCE FOR 90 DAYS FROM THE DATE THE**

1 PRINCIPAL LICENSE HOLDER WAS NO LONGER AUTHORIZED OR AVAILABLE TO
2 ACT ON THE LICENSEE'S BEHALF, TO ALLOW THE LICENSEE TO DESIGNATE A
3 DIFFERENT INDIVIDUAL, WHO MEETS THE REQUIREMENTS OF SECTION 6, AS
4 ITS PRINCIPAL LICENSE HOLDER. THE LICENSEE SHALL DO ALL OF THE
5 FOLLOWING WITHIN 10 DAYS AFTER IT MAKES THAT DESIGNATION:

6 (A) PROVIDE WRITTEN NOTICE TO THE DEPARTMENT THAT IT HAS
7 DESIGNATED A DIFFERENT INDIVIDUAL AS ITS PRINCIPAL LICENSE HOLDER.

8 (B) PROVIDE TO THE DEPARTMENT THE NAME AND BUSINESS ADDRESS OF
9 THE INDIVIDUAL, AND ANY OTHER INFORMATION ABOUT THE INDIVIDUAL
10 REASONABLY REQUIRED BY THE DEPARTMENT.

11 (4) IF A LICENSEE DESIGNATING A DIFFERENT INDIVIDUAL AS ITS
12 PRINCIPAL LICENSE HOLDER DOES NOT COMPLY WITH SUBSECTION (3), OR
13 THE DEPARTMENT DOES NOT APPROVE OF THE DESIGNATION OF THAT
14 INDIVIDUAL AS THE LICENSEE'S PRINCIPAL LICENSE HOLDER,
15 THE DEPARTMENT SHALL NOTIFY THE LICENSEE OF ITS DISAPPROVAL. WITHIN
16 30 DAYS AFTER RECEIVING THAT NOTIFICATION, THE LICENSEE SHALL
17 DESIGNATE ANOTHER INDIVIDUAL UNDER SUBSECTION (1) AND MEET THE
18 REQUIREMENTS OF THIS SECTION FOR APPROVAL OF THAT INDIVIDUAL BY THE
19 DEPARTMENT AS ITS PRINCIPAL LICENSE HOLDER.

20 (5) IF A LICENSEE IS REQUIRED TO HAVE A PRINCIPAL LICENSE
21 HOLDER UNDER THIS SECTION, THAT LICENSE IS AUTOMATICALLY SUSPENDED
22 DURING ANY PERIOD OF TIME THE LICENSEE HAS NOT DESIGNATED A
23 PRINCIPAL LICENSE HOLDER AND NOTIFIED THE DEPARTMENT OF THAT
24 DESIGNATION. HOWEVER, ON REQUEST, THE DEPARTMENT MAY PERMIT THE
25 LICENSE TO STAY IN FORCE FOR 60 DAYS TO ALLOW THE LICENSEE TO
26 DESIGNATE A PRINCIPAL LICENSE HOLDER.

27 Sec. 16. (1) A person shall not manufacture a badge or shield

1 ~~which~~ **THAT** purports to indicate that the holder is a licensed
 2 **SECURITY** alarm system contractor ~~, OR SECURITY~~ alarm system agent,
 3 ~~private security guard or agency, or any of those persons as~~
 4 ~~listed, in section 2.~~ **A PRIVATE COLLEGE SECURITY OFFICER OR PRIVATE**
 5 **SECURITY POLICE OFFICER, OR AN OFFICER OF A PRIVATE COLLEGE**
 6 **SECURITY FORCE OR PRIVATE SECURITY POLICE FORCE.** A person shall not
 7 ~~display~~ **OFFER** for sale a badge, shield, identification card, or
 8 certificate of license ~~, by which the~~ **THAT, IF WORN, OR DISPLAYED,**
 9 **OR SHOWN TO THE PUBLIC BY A** holder, might mislead the public into
 10 thinking that the holder is a licensed **SECURITY** alarm system
 11 contractor ~~, OR SECURITY~~ alarm system agent, ~~or private security~~
 12 ~~guard, or agency.~~ **A PRIVATE COLLEGE SECURITY OFFICER OR PRIVATE**
 13 **SECURITY POLICE OFFICER, OR AN OFFICER OF A PRIVATE COLLEGE**
 14 **SECURITY FORCE OR PRIVATE SECURITY POLICE FORCE.**

15 (2) A person, ~~firm, company, partnership, or corporation~~ shall
 16 not distribute an identification card or certificate of license in
 17 this state except as provided ~~by~~ **UNDER** this act.

18 (3) A person shall not knowingly buy or receive from a source
 19 a form of spurious identification as ~~an~~ **A SECURITY** alarm system
 20 contractor ~~, OR SECURITY~~ alarm system agent, ~~or a private security~~
 21 ~~guard or agency.~~ **A PRIVATE COLLEGE SECURITY OFFICER OR PRIVATE**
 22 **SECURITY POLICE OFFICER, OR AN OFFICER OF A PRIVATE COLLEGE**
 23 **SECURITY FORCE OR PRIVATE SECURITY POLICE FORCE.**

24 (4) A violation of this section is a misdemeanor, and **IF A LAW**
 25 **ENFORCEMENT OFFICER OF THIS STATE SEES** an unauthorized
 26 identification card or certificate of license, ~~shall be confiscated~~
 27 ~~by a law enforcement officer of the state.~~ **HE OR SHE SHALL**

1 **CONFISCATE IT.** Each day the violation **OF THIS SECTION** continues
2 ~~shall constitute~~ **CONSTITUTES** a separate offense.

3 Sec. 17. (1) A licensee may employ as many ~~persons as he or~~
4 ~~she~~ **INDIVIDUALS AS THE LICENSEE** considers necessary to assist him
5 ~~or her in his or her~~ **THE LICENSEE IN ITS** work of ~~AS A~~ security
6 alarm system contractor, private security police **FORCE, OR** private
7 college security force ~~, or private security guard~~ and in the
8 conduct of ~~his or her~~ **THE LICENSEE'S** business. ~~, and A LICENSEE IS~~
9 at all times during the employment **OF AN INDIVIDUAL** ~~is accountable~~
10 for the good conduct in the business of ~~each person so~~
11 ~~employed.~~ **THAT INDIVIDUAL.**

12 ~~—— (2) Employees in the employ of a licensee after March 28, 2001~~
13 ~~shall meet the qualifications outlined in section 6(1)(c), (e),~~
14 ~~(j), and (k), be at least 18 years of age, and have had at least an~~
15 ~~eighth grade education or its equivalent. An employee in the employ~~
16 ~~of a licensee on or before March 28, 2001 shall meet the~~
17 ~~qualifications outlined in section 6(1)(d), (e), (j), and (k), be~~
18 ~~at least 18 years of age, and have had at least an eighth grade~~
19 ~~education or its equivalent. Employees hired by a licensee after~~
20 ~~June 21, 2002 shall meet the qualifications outlined in section~~
21 ~~6(1)(c), (e), (j), and (k), be at least 18 years of age, and have~~
22 ~~at least a high school diploma, a GED, or its equivalent.~~

23 **(2) A LICENSEE SHALL NOT EMPLOY AN INDIVIDUAL UNLESS HE OR SHE**
24 **IS AT LEAST 18 YEARS OF AGE AND MEETS 1 OF THE FOLLOWING:**

25 **(A) IF THE INDIVIDUAL WAS HIRED BY THE LICENSEE ON OR BEFORE**
26 **MARCH 28, 2001, ALL OF THE FOLLOWING:**

27 **(i) HE OR SHE WAS NOT CONVICTED OF A FELONY IN THE 5-YEAR**

1 PERIOD PRECEDING THE DATE HE OR SHE WAS HIRED.

2 (ii) HE OR SHE MEETS THE QUALIFICATIONS DESCRIBED IN SECTION
3 6(E), (I), AND (J).

4 (iii) HE OR SHE HAS AT LEAST AN EIGHTH-GRADE EDUCATION OR ITS
5 EQUIVALENT.

6 (B) IF THE INDIVIDUAL IS HIRED BY THE LICENSEE AFTER MARCH 28,
7 2001 AND ON OR BEFORE JUNE 21, 2002, ALL OF THE FOLLOWING:

8 (i) HE OR SHE HAS NOT BEEN NOT CONVICTED OF A FELONY.

9 (ii) HE OR SHE MEETS THE QUALIFICATIONS DESCRIBED IN SECTION
10 6(E), (I), AND (J).

11 (iii) HE OR SHE HAS AT LEAST AN EIGHTH-GRADE EDUCATION OR ITS
12 EQUIVALENT.

13 (C) IF THE INDIVIDUAL IS HIRED BY THE LICENSEE AFTER JUNE 21,
14 2002 AND ON OR BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
15 ADDED SUBDIVISION (D), ALL OF THE FOLLOWING APPLY:

16 (i) HE OR SHE WAS NOT CONVICTED OF A FELONY.

17 (ii) HE OR SHE MEETS THE QUALIFICATIONS DESCRIBED IN SECTION
18 6(B), (E), (I), AND (J).

19 (D) IF THE INDIVIDUAL IS HIRED BY THE LICENSEE AFTER THE
20 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION,
21 ALL OF THE FOLLOWING APPLY:

22 (i) HE OR SHE WAS NOT CONVICTED OF A FELONY.

23 (ii) HE OR SHE MEETS THE QUALIFICATIONS DESCRIBED IN SECTION
24 6(B), (E), (F), (I), AND (J).

25 (3) A licensee shall keep and maintain in this state adequate
26 and complete personnel information on all ~~persons employed by him~~
27 ~~or her. A~~ OF ITS EMPLOYEES. A LICENSEE SHALL FILE A complete

1 ~~employee roster in a manner described by the department shall be~~
 2 ~~filed with the department by each licensee on a quarterly basis, -~~
 3 ~~The rosters must be filed with~~ **IN A MANNER DETERMINED BY** the
 4 department, by April 15, July 15, October 15, and January 15 **OF**
 5 **EACH YEAR** for the preceding **CALENDAR** quarter. Failure to submit **AN**
 6 accurate ~~rosters~~ **ROSTER** is cause for suspension of the ~~A~~ license. A
 7 **THE DEPARTMENT SHALL NOT PROCESS A** renewal application ~~shall not be~~
 8 ~~processed if the~~ **DEPARTMENT HAS NOT RECEIVED A** quarterly roster has
 9 ~~not been received for each quarter of the preceding 2-year license~~
 10 period.

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

15 (5) ~~A person~~ **AN INDIVIDUAL** shall not falsely state or
 16 represent that he or she is an agent of a ~~licensed security alarm~~
 17 ~~system contractor,~~ **LICENSEE OR AN AGENT OF A** private security
 18 police officer ~~, OR~~ private college security force officer. ~~, or~~
 19 ~~private security guard.~~ ~~A person~~ **AN INDIVIDUAL** who violates this
 20 subsection is guilty of a misdemeanor punishable by imprisonment
 21 for not more than 93 days or a fine of not more than \$500.00, or
 22 both.

23 Sec. 18. (1) A licensee shall not knowingly employ ~~any person~~
 24 **AN INDIVIDUAL** who ~~fails to~~ **DOES NOT** meet the requirements of
 25 section 17.

26 ~~—— (2) The licensee shall cause fingerprints to be taken of all~~
 27 ~~prospective employees who are direct providers of the security~~

~~business, which fingerprints shall be submitted to the department of state police and the federal bureau of investigation for a state and national criminal history background check. The fingerprints shall be accompanied by a fingerprint processing fee in the amount prescribed by section 3 of 1935 PA 120, MCL 28.273, as well as any fees imposed by the federal bureau of investigation. The results of the national criminal history background check as returned by the federal bureau of investigation to the department of state police shall be used by the department to make a fitness determination. A licensee shall not employ a person who is a direct provider of the security business before submitting fingerprints to the department of state police.~~

~~—— (3) The fingerprints required to be taken under subsection (2) may be taken by a law enforcement agency or any other person determined by the department of state police to be qualified to take fingerprints. If a licensee takes the fingerprints, that licensee shall obtain training in taking fingerprints from the department of state police or a law enforcement agency or other person determined qualified by the department of state police.~~

~~—— (4) A licensee shall request the department of state police to conduct a background check of each prospective employee who is a direct provider of the security business based upon a name check. The licensee shall obtain a complete and signed employment application for all individuals for whom a name check is requested and conducted. The employment application shall be retained for at least 1 year from the date of its submission. The department of state police shall conduct the background check upon a written,~~

~~electronic, or telephonic request of a licensee accompanied by a fee of \$15.00. The background check shall be conducted not later than 3 days after the date a written request is made and not later than 24 hours after a telephonic or electronic request is made. Provisional clearance based on the name check shall allow the employee to be employed as a security guard, for a period of time not to exceed 90 days, pending final clearance based upon a fingerprint check as provided for in subsection (2). If an approval is once denied, that individual may not again be employed as a direct provider of the security business by the submitting licensee except upon receipt of an approved fingerprint clearance. A licensee or employee of a licensee who uses a name check or results of a name check for purposes other than prospective employment is guilty of a misdemeanor punishable by imprisonment for not more than 93 days, a fine of not more than \$1,000.00, or both.~~

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

(2) BEFORE A LICENSEE MAKES AN OFFER OF EMPLOYMENT TO AN INDIVIDUAL, AS A DIRECT PROVIDER OF THE LICENSEE'S SECURITY SERVICES DIRECTLY TO THE LICENSEE'S CUSTOMERS, THE LICENSEE SHALL PERFORM A CRIMINAL HISTORY CHECK ON THAT INDIVIDUAL USING ICHAT, OR OBTAIN AN EQUIVALENT CHECK ON THAT INDIVIDUAL FROM HIS OR HER STATE OR PROVINCE OF RESIDENCE. IF THE RESULTS OF THE ICHAT SEARCH OR THE RESULTS OF THE EQUIVALENT CHECK REVEAL THAT HE OR SHE HAS BEEN CONVICTED OF A FELONY OR A DISQUALIFYING MISDEMEANOR, THE LICENSEE SHALL NOT MAKE AN OFFER OF EMPLOYMENT TO, OR ENGAGE, THAT

1 INDIVIDUAL TO PROVIDE SECURITY SERVICES DIRECTLY TO THE LICENSEE'S
2 CUSTOMERS.

3 (3) WITHIN 180 DAYS AFTER THE EFFECTIVE DATE OF THE AMENDATORY
4 ACT THAT ADDED THIS SUBSECTION, A LICENSEE SHALL PERFORM A CRIMINAL
5 HISTORY CHECK USING ICHAT, OR OBTAIN AN EQUIVALENT CHECK FROM HIS
6 OR HER STATE OR PROVINCE OF RESIDENCE, ON EACH INDIVIDUAL EMPLOYED
7 BY THE LICENSEE TO PROVIDE SECURITY SERVICES DIRECTLY TO THE
8 LICENSEE'S CUSTOMERS. IF THE RESULTS OF THE ICHAT SEARCH OR THE
9 RESULTS OF THE EQUIVALENT CHECK REVEAL THAT THE INDIVIDUAL HAS BEEN
10 CONVICTED OF A FELONY OR A DISQUALIFYING MISDEMEANOR, THE LICENSEE
11 SHALL NOT CONTINUE TO EMPLOY THAT INDIVIDUAL.

12 (4) ~~(6)~~ Any employee who, ~~upon~~ ON demand, fails to surrender
13 to the licensee his or her identification card and any other
14 property issued to him or her for use in connection with his or her
15 employer's business is guilty of a misdemeanor.

16 (5) AS USED IN THIS SECTION:

17 (A) "DISQUALIFYING MISDEMEANOR" MEANS A MISDEMEANOR DESCRIBED
18 IN SECTION 10(1)(C).

19 (B) "ICCHAT" MEANS THE INTERNET CRIMINAL HISTORY ACCESS TOOL
20 MAINTAINED BY THE DEPARTMENT OF STATE POLICE.

21 Sec. 22. (1) Every advertisement by a licensee soliciting or
22 advertising for business shall contain ~~his or her~~ THE business name
23 and address OF THE LICENSEE as they appear in the records of the
24 department.

25 (2) ~~A licensee shall, upon~~ ON notice from and order of the
26 department, A LICENSEE SHALL discontinue any advertising or the use
27 of any advertisement, seal, or card that, in the opinion of the

1 department, may tend to mislead the public. Failure to comply with
 2 ~~any such~~ **AN** order of the department **DESCRIBED IN THIS SECTION** is
 3 cause for revocation or suspension of the license.

4 (3) ~~A-IF A~~ person **THAT IS** not licensed under this act ~~who~~
 5 advertises ~~his or her~~ **THE PERSON'S** business to be that of a ~~private~~
 6 ~~security guard or security alarm~~ **SYSTEM CONTRACTOR OR** agency,
 7 irrespective of the name or title actually used, **THAT PERSON** is
 8 guilty of a misdemeanor punishable by imprisonment for not more
 9 than 93 days, a fine of not more than \$1,000.00, or both.

10 Sec. 25. (1) Subject to section ~~9(5), 9(8),~~ **THE DEPARTMENT MAY**
 11 **RENEW** a license granted under this act ~~may be renewed by the~~
 12 ~~department upon~~ **IF THE LICENSEE FILES AN** application, ~~by the~~
 13 ~~licensee, filing~~ **PROVIDES** a renewal surety bond in the amount
 14 specified in ~~UNDER~~ section 9, and ~~the payment of~~ **PAYS** a renewal fee
 15 of ~~\$100.00 if a sole proprietorship,~~ **\$250.00 FOR A LICENSE AS A**
 16 **SECURITY ALARM SYSTEM CONTRACTOR AND** \$150.00 ~~if a private security~~
 17 ~~police organization, a private college police force, or a private~~
 18 ~~security guard firm, company, partnership, limited liability~~
 19 ~~company, or corporation, or \$250.00 if a security alarm system~~
 20 ~~contractor.~~ **FOR ANY OTHER LICENSE.**

21 (2) ~~A-THE DATE OF ISSUANCE OF A~~ renewal license ~~shall be dated~~
 22 ~~as of~~ **UNDER THIS ACT IS** the expiration date of the previously
 23 existing license. ~~For the renewal of~~ **TO RENEW** a license, the
 24 licensee shall submit an application in a form provided by the
 25 department. The department may defer the renewal of license if
 26 there is an uninvestigated outstanding criminal complaint pending
 27 against the licensee or a criminal case pending in any court

1 against the licensee.

2 (3) A person ~~who~~**THAT** fails to renew a license on or before
3 the expiration date shall not engage in activities regulated by
4 this act. A person ~~who~~**THAT** fails to renew a license on or before
5 the expiration date may, within 30 days after the expiration date,
6 renew the license by payment of the required license fee and a late
7 renewal fee of \$25.00. An applicant who fails to renew within the
8 30-day period must reapply for a license under section 7.

9 (4) ~~The fees collected by the department under this section~~
10 ~~shall be deposited~~**SHALL FORWARD ALL FEES IT COLLECTS UNDER THIS**
11 **SECTION TO THE STATE TREASURER FOR DEPOSIT** into the security
12 business fund created in section ~~9(9)~~**9(12)**.

13 Sec. 26. ~~(1) Upon the death of~~**IF** an individual licensed under
14 ~~this act, the business with which the decedent was connected may be~~
15 ~~carried on for a period of 90 days by the following:~~ (a) In the
16 ~~case of an individual licensee, the surviving spouse, or if there~~
17 ~~be none, the executor or administrator of the estate of the~~
18 ~~decedent;~~ (b) In the case of a partner, the surviving partners; (c)
19 ~~In the case of an officer of a firm, company, association,~~
20 ~~organization, or corporation, the officers thereof.~~**WHO IS A**
21 **LICENSEE DIES, THE LICENSE IS AUTOMATICALLY SUSPENDED. HOWEVER, ON**
22 **REQUEST, THE DEPARTMENT MAY PERMIT THE SURVIVING SPOUSE OF THE**
23 **LICENSEE, OR THE EXECUTOR OR ADMINISTRATOR OF THE ESTATE OF THE**
24 **DECEDENT IF THERE IS NO SURVIVING SPOUSE, TO CARRY ON THE LICENSED**
25 **ACTIVITY FOR A PERIOD OF 90 DAYS AFTER THE DATE OF THE DECEDENT'S**
26 **DEATH.**

27 (2) Within 10 days following the death of a licensee, the

department shall be notified in writing. The notification shall state the name of the person legally authorized to carry on the business of the ~~deceased~~. **DECEDENT UNDER SUBSECTION (1).**

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

(4) ~~Nothing in this~~ **THIS** section ~~shall be construed to~~ **DOES NOT** restrict ~~the~~ **A** sale of ~~an~~ **A SECURITY** alarm system business or a ~~private security guard agency, if~~ **A PRIVATE SECURITY POLICE FORCE BUSINESS IF THE LICENSEE DIES AND** the ~~vendee~~ **BUYER** qualifies for a license **AS A SECURITY ALARM SYSTEM CONTRACTOR OR PRIVATE SECURITY POLICE FORCE** under ~~the provisions of~~ this act.

Sec. 29. (1) ~~The licensure~~ **DEPARTMENT OF STATE POLICE SHALL ADMINISTER THE LICENSING** of private security police and private college security forces. ~~shall be administered by the department of state police.~~ The application, qualification, and enforcement provisions under this act apply to private security police and private college security forces except that the ~~administration of~~ **DEPARTMENT OF STATE POLICE SHALL ADMINISTER** those provisions, ~~shall be performed by,~~ and the ~~payment of the~~ appropriate fees shall be paid to ~~, the~~ department of state police. The director of the department **OF LICENSING AND REGULATORY AFFAIRS** may jointly promulgate rules with the department of state police under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to

24.328, to facilitate the bifurcation of authority described in this subsection.

(2) This act does not require licensing of any private security guards **OR OFFICERS** employed for the purpose of protecting the property and employees of their employer and generally maintaining security for their employer. However, any person ~~, firm, limited liability company, business organization, OR~~ educational institution ~~, or corporation maintaining~~ **THAT MAINTAINS** a private security police ~~organization~~ **FORCE** or a private college security force may voluntarily apply for licensure under this act. ~~When~~

(3) **IF** a private security police **FORCE** employer or private college security force employer ~~as described in this section~~ provides ~~the~~ **AN** employee with a pistol for the purpose of protecting the property of the employer, the pistol ~~shall be~~ **IS** considered the property of the employer and the employer shall retain custody of the pistol, except during the actual working hours of the employee. ~~All such private security people shall be~~

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

Sec. 31. An applicant for licensure as private security police **FORCE** under this act, ~~under section 29, or the employee~~ **PRINCIPAL LICENSE HOLDER** of the applicant, **IF APPLICABLE**, shall comply with training requirements as prescribed by the department under this act.

Sec. 33. A **PERSON SHALL NOT INSTALL OR OPERATE A** security

1 alarm system ~~may not be installed or operated~~ in this state unless
2 the security alarm system is ~~either installed by a~~ **1 OF THE**
3 **FOLLOWING:**

4 (A) A security alarm system contractor licensed under this
5 act. ~~or is installed by the~~

6 (B) A SYSTEM PROVIDER, AS DEFINED IN SECTION 2 OF THE SECURITY
7 ALARM SYSTEMS ACT, 2012 PA 580, MCL 338.2182.

8 (C) ~~THE~~ owner or occupant of a residence in his or her
9 residence.

10 Enacting section 1. Section 19 of the private security
11 business and security alarm act, 1968 PA 330, MCL 338.1069, is
12 repealed.

13 Enacting section 2. This amendatory act takes effect 90 days
14 after the date it is enacted into law.

15 Enacting section 3. This amendatory act does not take effect
16 unless all of the following bills of the 98th Legislature are
17 enacted into law:

18 (a) Senate Bill No.161.

19
20 (b) Senate Bill No.164.

21
22 (c) Senate Bill No.163.