

**SUBSTITUTE FOR
HOUSE BILL NO. 4255**

A bill to amend 2012 PA 580, entitled
"Security alarm systems act,"
by amending section 2 (MCL 338.2182).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Alarm system" means any mechanical or electrical device,
3 including an electronic access control system, a video monitoring
4 system, a burglar alarm system, smoke detectors, or any other
5 electronic system that is designed to emit an audible alarm or
6 transmit a signal or message to a central monitoring station if it
7 is activated and that is used to detect an unauthorized entry into
8 a protected premises or alert other persons of the occurrence of a
9 fire or medical emergency or the commission of an unlawful act
10 against a person or in a protected premises. The term includes, but
11 is not limited to, a silent, panic, holdup, robbery, duress,

1 burglary, medical alert, or proprietor alarm that signals a central
2 monitoring station.

3 (b) "Applicant" means a person for which a registration
4 statement is filed under section 3.

5 (c) "Background check" means a criminal history check
6 administered by a public or private entity that examines federal
7 and state government records in a manner that allows for the
8 successful identification of the criminal offenses listed in
9 section 4(3)(c).

10 (d) "Department" means department of licensing and regulatory
11 affairs.

12 (e) "Local unit of government" means a city, county, village,
13 or township, or a special district designated by law that exercises
14 limited government powers or powers in respect to limited
15 government subjects.

16 (f) "Operator" means an employee or independent contractor who
17 performs alarm operator, dispatcher, or monitor functions for a
18 security alarm system at a central monitoring station. The term
19 does not include a system user who receives signals or messages
20 about his or her own security alarm system.

21 (g) "Person" means an individual, partnership, corporation,
22 limited liability company, or other legal entity.

23 (h) "Protected premises" means a location at or in which a
24 system user's security alarm system is installed and maintained.

25 (i) "Registrant" means a person that is registered by the
26 department as a system provider.

27 (j) "Registration" means a registration that is issued by the

1 department.

2 (k) "Remote monitoring" means the retransmission of
3 information received from a security alarm system to a central
4 monitoring system.

5 (l) "Security alarm system" means a detection device or an
6 assembly of equipment and devices that transmits signals to a
7 central monitoring station and is arranged to signal the presence
8 of a hazard that requires urgent attention or to which police are
9 expected to respond. The term includes any electronic system that
10 transmits signals to a central monitoring station and monitors or
11 records various components designed to detect or prevent
12 burglaries, intrusions, theft, or robbery of the protected
13 premises, including, but not limited to, an intrusion detection
14 system, video monitoring or recording system, access control
15 system, and 1-way or 2-way audio monitoring systems. The term does
16 not include a fire alarm system or an alarm system that monitors
17 temperature, humidity, or other condition that is not directly
18 related to the detection or prevention of burglaries, intrusions,
19 theft, or robbery of the protected premises.

20 (m) "System provider" means a person that engages in the
21 business of selling, leasing, renting, maintaining, repairing,
22 installing, or otherwise providing security alarm systems to the
23 public at the protected premises or by remote monitoring. The term
24 does not include any of the following:

25 (i) A person that purchases, rents, or uses an alarm system
26 that is affixed to a motor vehicle.

27 (ii) A person that owns or conducts a business of selling,

1 leasing, renting, installing, maintaining, or monitoring an alarm
2 system that is affixed to a motor vehicle.

3 (iii) An alarm system that is operated by this state, a
4 political subdivision of this state, an agency or department of
5 this state or a political subdivision of this state, or any other
6 governmental agency or department.

7 (iv) A person that installs a nonmonitored alarm system for a
8 business that the person owns, is employed by, or manages.

9 (v) A person that only manufactures or sells security alarm
10 systems, unless that person services, installs, monitors, or
11 responds to signals from security alarm systems at the protected
12 premises.

13 (vi) A person that sells security alarm systems that are
14 designed to be installed and monitored by any of the following:

15 (A) The customer, and not the person selling the security
16 alarm system.

17 (B) An affiliate of or contractor to the person selling the
18 security alarm system if the affiliate or contractor that installs
19 at the protected premises or monitors the security alarm system is
20 registered under this act.

21 (vii) A security alarm system contractor, as defined in
22 section 2 of the private security business and security alarm act,
23 1968 PA 330, MCL 338.1052, that is required to obtain a license
24 under that act.

25 **(viii) A SECURITY GUARD AGENCY THAT IS LICENSED UNDER ARTICLE**
26 **14A OF THE OCCUPATIONAL CODE, 1980 PA 299, MCL 339.1421 TO**
27 **339.1443, AND WHOSE EMPLOYEES OR AGENTS USE CLIENT-INSTALLED**

1 EQUIPMENT OR EQUIPMENT INSTALLED BY A SYSTEM PROVIDER THAT IS
2 REGISTERED UNDER THIS ACT FOR THE PURPOSE OF PROTECTING THE
3 PERSONNEL AND PROPERTY OF A CLIENT OF THE SECURITY GUARD AGENCY. AS
4 USED IN THIS SUBPARAGRAPH:

5 (A) "EQUIPMENT" INCLUDES, BUT IS NOT LIMITED TO, ACCESS
6 CONTROL EQUIPMENT; VIDEO SURVEILLANCE AND RECORDING EQUIPMENT;
7 AUDIO COMMUNICATION EQUIPMENT; INTRUSION DETECTION AND PREVENTION
8 EQUIPMENT; AND AUTOMATED BARRIERS.

9 (B) "NORMAL END USER FUNCTIONS" INCLUDES, BUT IS NOT LIMITED
10 TO, VIDEO AND ALARM MONITORING; RETRIEVING VIDEO HISTORY FOR USE BY
11 A CLIENT, SECURITY, OR LAW ENFORCEMENT; ALLOWING OR DENYING ENTRY
12 TO INDIVIDUALS OR VEHICLES BY CONTROLLED ACCESS EQUIPMENT;
13 MAINTAINING DATABASES; OR AUDIO COMMUNICATION. NORMAL END USER
14 FUNCTIONS MAY BE PERFORMED ON-SITE OR FROM A REMOTE FACILITY OF A
15 CLIENT.

16 (C) "USE" MEANS ONLY NORMAL END USER FUNCTIONS AND CAPABILITY
17 THAT IS INSTALLED OR PROVIDED BY A SYSTEM PROVIDER TO A CLIENT.

18 (ix) A SECURITY GUARD AGENCY THAT IS LICENSED UNDER ARTICLE
19 14A OF THE OCCUPATIONAL CODE, 1980 PA 299, MCL 339.1421 TO
20 339.1443, AND WHOSE EMPLOYEES OR AGENTS RESPOND TO BURGLAR, FIRE,
21 OR SUPERVISORY ALARMS FOR THE PURPOSE OF SECURING THE PROPERTY AND
22 ENSURING THE SAFETY OF INDIVIDUALS IN OR ON THAT PROPERTY. AS USED
23 IN THIS SUBPARAGRAPH, "RESPOND" MAY INCLUDE REVIEWING ALARM
24 HISTORY, RESETTING THE ALARM, AND, IF AUTHORIZED, PERFORMING OTHER
25 NORMAL END-USER TASKS INCLUDING BYPASSING A PROTECTED ZONE IF
26 NECESSARY TO RESET THE ALARM SYSTEM.

27 (n) "System user" means a person that uses a security alarm

1 system at a protected premises or remotely.

2 Enacting section 1. This amendatory act takes effect July 1,
3 2016.

4 Enacting section 2. This amendatory act does not take effect
5 unless all of the following bills of the 98th Legislature are
6 enacted into law:

7 (a) Senate Bill No. 161.

8 (b) Senate Bill No. 162.

9 (c) Senate Bill No. 164.

10 (d) House Bill No. 4253.

11 (e) House Bill No. 4254.