

# SENATE BILL No. 984

June 11, 2014, 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 2, 3, 4, 5, 6, 8, 9, 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, 338.1061,  
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, 9, 14, 17, 25, and 29 as amended by  
2010 PA 68, section 2 as amended by 2012 PA 581, section 6 as  
amended by 2012 PA 419, section 11 as amended by 2004 PA 270,  
sections 13, 18, and 31 as amended by 2002 PA 473, 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:**

1 TITLE

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

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

20 (A) "ARMED FORCES" MEANS THAT TERM AS DEFINED IN SECTION 2 OF  
 21 THE VETERAN RIGHT TO EMPLOYMENT SERVICES ACT, 1994 PA 39, MCL  
 22 35.1092.

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

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

(i) IN REFERENCE TO THE REGULATION OF SECURITY ALARM SYSTEM CONTRACTORS, SECURITY ALARM SYSTEM AGENTS, OR SECURITY ALARM SYSTEM SALES, INSTALLATION, SERVICE, MAINTENANCE, OR OPERATIONS, the department of licensing and regulatory affairs. ~~, except that in~~

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

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

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

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

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

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

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

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

(J) ~~(h)~~ "Private security police **FORCE**" means that part of a business organization or educational institution primarily responsible for the protection of property on the premises of the

1 business organization **OR EDUCATIONAL INSTITUTION**, but does not  
2 include a private college security force.

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

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

15 (ii) A fire alarm system.

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

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

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

27 (M) ~~(k)~~—"Security alarm system contractor" means a person **THAT**

1 IS engaged in the installation, maintenance, alteration,  
2 monitoring, or servicing of security alarm systems or ~~who~~ THAT  
3 responds to a security alarm system. Security alarm system  
4 contractor does not include a ~~ANY OF THE FOLLOWING:~~

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

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

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

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

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

1 (4) A railroad ~~policeman~~ **POLICE OFFICER** who is appointed and  
2 commissioned under the railroad code of 1993, 1993 PA 354, MCL  
3 462.101 to 462.451, is not subject to this act.

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

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

22 (2) A person **THAT IS SUBJECT TO THIS ACT** shall not sell,  
23 install, operate, adjust, arrange for, or contract to provide a  
24 device ~~which upon activation, THAT IF ACTIVATED~~, either  
25 mechanically, electronically, or by any other means, initiates the  
26 automatic calling or dialing of, or makes a connection directly to,  
27 a telephone assigned to a public service, utility, or police

1 agency, for the purpose of delivering a recorded message, without  
 2 first receiving written permission from that service, utility, or  
 3 agency.

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

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

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

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

27 (2) **A PERSON THAT IS LICENSED UNDER THIS ACT AS A SECURITY**



1 **ALARM SYSTEM CONTRACTOR, PRIVATE COLLEGE SECURITY FORCE, OR PRIVATE**  
 2 **SECURITY POLICE FORCE IS NOT** required to obtain any other license  
 3 from a municipality or political subdivision of this state **TO**  
 4 **CONDUCT BUSINESS AS A SECURITY ALARM SYSTEM CONTRACTOR, PRIVATE**  
 5 **COLLEGE SECURITY FORCE, OR PRIVATE SECURITY POLICE FORCE IN THAT**  
 6 **MUNICIPALITY OR POLITICAL SUBDIVISION.**

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

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

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

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

24       (d) If the applicant's license was issued on or before March  
 25 28, 2001, was not convicted of a felony in the 5-year period  
 26 preceding the date of application.

27       (e) Was not convicted of an offense listed in section 10(1)(c)

1 in the 5-year period preceding the date of application.

2 ~~—— (f) Has not been dishonorably discharged from a branch of the~~  
3 ~~United States military 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) While on active duty as a member of the armed forces,~~  
25 ~~served as a military police officer or in an equivalent job~~  
26 ~~classification for at least 2 years; was honorably discharged from~~  
27 ~~that military service; and has, and provides with his or her~~

~~application an affidavit signed by a commanding officer,  
supervisor, or military superior with direct knowledge of the  
applicant's service that he or she has, entry level experience in  
or basic knowledge of each of the following.~~

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

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

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

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

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

(F) IF HE OR SHE SERVED IN THE ARMED FORCES, WAS SEPARATED  
FROM THAT SERVICE, AND PROVIDES A FORM DD214, FORM DD215, OR ANY  
OTHER FORM SATISFACTORY TO THE DEPARTMENT THAT DEMONSTRATES THAT HE  
OR SHE WAS SEPARATED FROM THAT SERVICE, WITH AN HONORABLE CHARACTER  
OF SERVICE OR UNDER HONORABLE CONDITIONS (GENERAL) CHARACTER OF  
SERVICE.

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

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

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

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

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

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

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

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

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

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

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

23       **(A) THE NAME AND ADDRESS OF THE APPLICANT'S PRINCIPAL PLACE OF**  
24 **BUSINESS IN THIS STATE.**

25       **(B) IF THE APPLICANT IS NOT THE LICENSEE, THE LICENSEE'S NAME**  
26 **AND PRINCIPAL PLACE OF BUSINESS IN THIS STATE.**

27       **(C) THE ADDRESS AND LOCATION OF ANY BRANCH OFFICES IN THIS**

1 STATE AT WHICH THE LICENSEE CONDUCTS OR WILL CONDUCT BUSINESS.

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

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

7 (2) Each applicant **FOR A LICENSE, IF THE APPLICANT IS AN**  
8 **INDIVIDUAL, OR THE PRINCIPAL LICENSE HOLDER OF ANY OTHER APPLICANT,**  
9 shall submit 2 passport quality photographs of ~~the applicant~~  
10 **HIMSELF OR HERSELF** with the application. ~~If the applicant is a~~  
11 ~~business entity, the resident manager of the business shall submit~~  
12 ~~2 passport quality photographs of himself or herself.~~

13 (3) This section does not apply to a private college security  
14 force.

15 Sec. 9. (1) The department ~~, when~~ **SHALL ISSUE A LICENSE TO AN**  
16 **APPLICANT WHEN THE REQUIREMENTS OF THIS ACT ARE MET AND THE**  
17 **DEPARTMENT IS** satisfied of the good character, competence, and  
18 integrity of the applicant, **IF THE APPLICANT IS AN INDIVIDUAL,** or  
19 if the applicant is ~~a firm, company, partnership, limited liability~~  
20 ~~company, or corporation,~~ **A PERSON OTHER THAN AN INDIVIDUAL OR A**  
21 **PRIVATE COLLEGE OR UNIVERSITY,** of its individual members or  
22 officers, or, if the applicant is a private college or university,  
23 of its governing board. ~~, shall issue to the applicant a license.~~  
24 ~~The issuance of the license is conditioned upon the applicant's~~  
25 ~~paying to the department for each license \$200.00 if a sole~~  
26 ~~proprietorship, or \$300.00 if a private security guard firm,~~  
27 ~~company, partnership, limited liability company, or corporation, or~~

~~\$500.00 if a security alarm system contractor, and upon the applicant's executing, delivering, and filing with~~

(2) A LICENSE ISSUED UNDER THIS ACT IS VALID FOR 2 YEARS, BUT THE DEPARTMENT MAY REVOKE A LICENSE AT ANY TIME FOR CAUSE SHOWN. THE DEPARTMENT SHALL PRESCRIBE THE FORM OF A LICENSE CERTIFICATE.

(3) THE DEPARTMENT SHALL NOT ISSUE A LICENSE UNDER THIS ACT UNLESS THE APPLICANT PAYS THE DEPARTMENT A FEE OF \$500.00 IF THE APPLICANT IS A SECURITY ALARM SYSTEM CONTRACTOR OR, FOR ANY OTHER APPLICANT, 1 OF THE FOLLOWING FEES, AS APPROPRIATE:

(A) IF THE APPLICANT IS AN INDIVIDUAL, \$200.00.

(B) IF THE APPLICANT IS NOT AN INDIVIDUAL, \$300.00.

(4) THE DEPARTMENT SHALL NOT ISSUE A LICENSE UNDER THIS ACT UNLESS THE APPLICANT PROVIDES the department a bond in the ~~sum~~ PRINCIPAL AMOUNT of \$25,000.00. The bond shall be conditioned ~~upon~~ ON the faithful and honest conduct of the business by the applicant and ~~shall be approved by the department. In lieu of a bond, the~~ AN applicant may furnish a policy of insurance issued by an insurer authorized to do business in this state ~~naming~~ THAT NAMES the licensee and the state as coinsureds in the amount of \$25,000.00 for property ~~damages,~~ DAMAGE, \$100,000.00 for injury to or death of 1 person, and \$200,000.00 for injuries to or deaths of more than 1 person arising out of the operation of the licensed activity. ~~The license is valid for 2 years but is revocable at all times by the department for cause shown. The bonds shall be taken in the name~~ THE BOND SHALL BE PAYABLE TO THE DEPARTMENT FOR THE BENEFIT of the people of the state and a person injured by the willful, malicious, and wrongful act of the licensee or any ~~of his or her~~ agents or

employees **OF A LICENSEE** may bring an action on the bond or insurance policy in his or her own name to recover damages suffered by reason of the wrongful act. ~~The license certificate shall be in a form to be prescribed by the department.~~

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

(6) ~~(3)~~ ~~The~~ **A LICENSED SECURITY ALARM SYSTEM CONTRACTOR SHALL POST AN** additional license issued under subsection ~~(2)~~ ~~shall be posted~~ ~~(5)~~ in a conspicuous place in the branch office, and ~~shall expire~~ **EACH ADDITIONAL LICENSE EXPIRES** on the same date as the initial license.

(7) ~~(4)~~ Subject to subsection ~~(5)~~, ~~(8)~~, if ~~the~~ **A** license is denied, revoked, or suspended for cause, ~~no~~ **THE DEPARTMENT SHALL NOT** refund ~~shall be made of~~ the license fees or ~~a~~ **ANY** part of the license fees.

(8) ~~(5)~~ Beginning July 23, 2004, the department shall issue **OR DENY AN APPLICATION FOR** an initial or renewal license ~~not later than~~ **WITHIN** 180 days after the applicant files a completed application. ~~Receipt of the~~ **AN** application is considered **RECEIVED ON** the date the application is received by any agency or department

1 of ~~the~~ **THIS** state. ~~of Michigan.~~ If ~~the~~ **AN** application is considered  
 2 incomplete by the department, the department shall notify the  
 3 applicant in writing, or make the information electronically  
 4 available, within 30 days after receipt of the incomplete  
 5 application, describing the deficiency and requesting the  
 6 additional information. ~~The~~ **A** 180-day period **DESCRIBED IN THIS**  
 7 **SUBSECTION** is tolled ~~upon notification by~~ **FROM THE DATE** the  
 8 department **NOTIFIES THE APPLICANT** of a deficiency until the date  
 9 the requested information is received by the department. The  
 10 determination of the completeness of an application does not  
 11 operate as an approval of the application for the license and does  
 12 not confer eligibility of an applicant determined otherwise  
 13 ineligible for issuance of a license.

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

27 (10) ~~(7)~~ Beginning October 1, 2005, the director of the



1 department shall submit a report by December 1 of each year to the  
2 standing committees and appropriations subcommittees of the senate  
3 and house of representatives concerned with occupational issues.

4 The director shall include all of the following information in the  
5 report concerning the preceding fiscal year:

6 (a) The number of initial and renewal applications the  
7 department received and completed within the 180-day time period  
8 described in subsection ~~(5)-(8)~~.

9 (b) The number of applications denied.

10 (c) The number of applicants not issued a license within the  
11 180-day time period and the amount of money returned to licensees  
12 and registrants under subsection ~~(6)-(9)~~.

13 **(11)** ~~(8)~~—The fees collected by the department under this  
14 section shall be deposited into the security business fund created  
15 in subsection ~~(9)-(12)~~.

16 **(12)** ~~(9)~~—The security business fund is created ~~within~~ **IN** the  
17 state treasury. The department shall ~~deposit~~ **FORWARD** all license  
18 fees collected under this act **TO THE STATE TREASURER FOR DEPOSIT**  
19 into the fund. The state treasurer may receive money or other  
20 assets from any source for deposit into the fund. The state  
21 treasurer shall direct the investment of the fund. The state  
22 treasurer shall credit to the fund interest and earnings from fund  
23 investments. Money in the fund at the close of the fiscal year  
24 shall remain in the fund and be available for appropriation and  
25 expenditure by the department in subsequent fiscal years. The money  
26 in the fund shall not lapse to the general fund. The department  
27 shall expend money from the fund, ~~upon~~ **ON** appropriation, only for

1 enforcement and administration of this act. **THE DEPARTMENT IS THE**  
 2 **ADMINISTRATOR OF THE FUND FOR AUDITING PURPOSES.**

3 (13) **THE DEPARTMENT, OR THE DEPARTMENT OF STATE POLICE IF**  
 4 **SECTION 29 APPLIES, SHALL WAIVE AN INITIAL LICENSE FEE REQUIRED**  
 5 **UNDER THIS SECTION, OR ANY APPLICATION PROCESSING FEE CHARGED BY**  
 6 **THE DEPARTMENT FOR AN INITIAL LICENSE, IF THE APPLICANT IS AN**  
 7 **INDIVIDUAL WHO SERVED IN THE ARMED FORCES AND HE OR SHE PROVIDES TO**  
 8 **THE DEPARTMENT A FORM DD214, FORM DD215, OR ANY OTHER FORM THAT IS**  
 9 **SATISFACTORY TO THE DEPARTMENT THAT DEMONSTRATES THAT HE OR SHE WAS**  
 10 **SEPARATED FROM THAT SERVICE WITH AN HONORABLE CHARACTER OF SERVICE**  
 11 **OR UNDER HONORABLE CONDITIONS (GENERAL) CHARACTER OF SERVICE.**

12 (14) ~~(10)~~As used in this section, "completed application"  
 13 means an application **THAT IS** complete on its face and submitted  
 14 with any applicable licensing fees ~~as well as~~ **AND** any other  
 15 information, records, approval, security, or similar item required  
 16 by law or rule from a local unit of government, a federal agency,  
 17 or a private ~~entity~~ **PERSON** but not from another department or  
 18 agency of ~~the~~ **THIS** state. ~~of Michigan.~~

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

23 Sec. 13. (1) ~~Any~~ **A LICENSEE SHALL REPORT ANY** change in the  
 24 name or location of ~~the agency or of a branch office or subagency~~  
 25 ~~shall be reported by the~~ **A licensee OR BRANCH OFFICE** to the  
 26 department at least 10 days before the change becomes effective. ~~7~~  
 27 ~~upon receipt of which~~ **IF IT RECEIVES A REPORT UNDER THIS**

1 **SUBSECTION**, the department shall prepare and forward a certificate  
 2 showing the change. The licensee shall return the old certificate  
 3 within 3 business days after the change.

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

6 Sec. 14. (1) ~~Upon issuing~~ **IF IT ISSUES** a license, the  
 7 department shall issue an identification card to the ~~principal~~  
 8 ~~license holder, and~~ **LICENSEE, IF THE LICENSEE IS AN INDIVIDUAL; TO**  
 9 **THE PRINCIPAL LICENSE HOLDER, IF THE LICENSEE IS NOT AN INDIVIDUAL;**  
 10 **TO EACH PARTNER**, if the licensee is a ~~partner in a partnership to~~  
 11 ~~each partner, PARTNERSHIP;~~ and if the license holder is a  
 12 corporation, to each resident officer or manager, but only if  
 13 requested by a resident officer or manager.

14 (2) The **DEPARTMENT SHALL PRESCRIBE** form and contents of the  
 15 identification card ~~shall be prescribed by the department, and the~~  
 16 **DESCRIBED IN SUBSECTION (1), AND THE DEPARTMENT SHALL RECALL A** card  
 17 ~~shall be recalled by the department if the license is revoked.~~

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

1 officer, OR private college security force officer. ~~7, security~~  
2 ~~guard, or security technician.~~

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

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

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

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

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

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

24 (3) **IF ITS PRINCIPAL LICENSE HOLDER IS NO LONGER AUTHORIZED TO**  
25 **ACT IN THAT CAPACITY ON THE LICENSEE'S BEHALF, OR IS NO LONGER**  
26 **AVAILABLE TO ACT IN THAT CAPACITY FOR ANY REASON, THE LICENSEE**  
27 **SHALL DESIGNATE A DIFFERENT INDIVIDUAL, WHO MEETS THE REQUIREMENTS**

1 OF SECTION 6, AS ITS PRINCIPAL LICENSE HOLDER AND SHALL DO ALL OF  
2 THE FOLLOWING WITHIN 10 DAYS AFTER IT MAKES THAT DESIGNATION:

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

5 (B) PROVIDE TO THE DEPARTMENT THE NAME AND BUSINESS ADDRESS OF  
6 THE INDIVIDUAL, AND ANY OTHER INFORMATION ABOUT THE INDIVIDUAL  
7 REASONABLY REQUIRED BY THE DEPARTMENT.

8 (C) RETURN THE IDENTIFICATION CARD ISSUED TO THE FORMER  
9 PRINCIPAL LICENSE HOLDER UNDER SECTION 14 TO THE DEPARTMENT.

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

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

26 Sec. 16. (1) A person shall not manufacture a badge or shield  
27 ~~which~~ THAT purports to indicate that the holder is a licensed

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

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

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

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

1 ~~shall constitute~~ **CONSTITUTES** a separate offense.

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

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

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

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

26       **(i) HE OR SHE WAS NOT CONVICTED OF A FELONY IN THE 5-YEAR**  
 27 **PERIOD PRECEDING THE DATE HE OR SHE WAS HIRED.**

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

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

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

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

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

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

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

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

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

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

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

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

24          (3) A licensee shall keep and maintain in this state adequate  
25 and complete personnel information on all ~~persons employed by him~~  
26 ~~or her. A~~ OF ITS EMPLOYEES. A LICENSEE SHALL FILE A complete  
27 employee roster ~~in a manner described by the department shall be~~



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

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

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

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

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

~~1 of state police and the federal bureau of investigation for a state  
2 and national criminal history background check. The fingerprints  
3 shall be accompanied by a fingerprint processing fee in the amount  
4 prescribed by section 3 of 1935 PA 120, MCL 28.273, as well as any  
5 fees imposed by the federal bureau of investigation. The results of  
6 the national criminal history background check as returned by the  
7 federal bureau of investigation to the department of state police  
8 shall be used by the department to make a fitness determination. A  
9 licensee shall not employ a person who is a direct provider of the  
10 security business before submitting fingerprints to the  
11 department of state police.~~

~~12 — (3) The fingerprints required to be taken under subsection (2)  
13 may be taken by a law enforcement agency or any other person  
14 determined by the department of state police to be qualified to  
15 take fingerprints. If a licensee takes the fingerprints, that  
16 licensee shall obtain training in taking fingerprints from the  
17 department of state police or a law enforcement agency or other  
18 person determined qualified by the department of state police.~~

~~19 — (4) A licensee shall request the department of state police to  
20 conduct a background check of each prospective employee who is a  
21 direct provider of the security business based upon a name check.  
22 The licensee shall obtain a complete and signed employment  
23 application for all individuals for whom a name check is requested  
24 and conducted. The employment application shall be retained for at  
25 least 1 year from the date of its submission. The department of  
26 state police shall conduct the background check upon a written,  
27 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 INDIVIDUAL TO PROVIDE SECURITY SERVICES DIRECTLY TO THE LICENSEE'S

1 CUSTOMERS.

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

11 (4) A LICENSEE MAY PASS ALONG THE ACTUAL COST OF AN ICHAT  
12 SEARCH, OR AN EQUIVALENT CHECK FROM AN INDIVIDUAL'S STATE OR  
13 PROVINCE OF RESIDENCE, UNDER SUBSECTION (2) OR (3) TO THE  
14 INDIVIDUAL ON WHOM THE SEARCH IS PERFORMED.

15 (5) ~~(6)~~ Any employee who, ~~upon~~ ON demand, fails to surrender  
16 to the licensee his or her identification card and any other  
17 property issued to him or her for use in connection with his or her  
18 employer's business is guilty of a misdemeanor.

19 (6) AS USED IN THIS SECTION:

20 (A) "DISQUALIFYING MISDEMEANOR" MEANS A MISDEMEANOR DESCRIBED  
21 IN SECTION 10(1)(C).

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

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

1           (2) ~~A licensee shall, upon~~ **ON** notice from and order of the  
 2 department, **A LICENSEE SHALL** discontinue any advertising or the use  
 3 of any advertisement, seal, or card that, in the opinion of the  
 4 department, may tend to mislead the public. Failure to comply with  
 5 ~~any such~~ **AN** order of the department **DESCRIBED IN THIS SECTION** is  
 6 cause for revocation or suspension of the license.

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

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

24           (2) ~~A~~ **THE DATE OF ISSUANCE OF A** renewal license ~~shall be dated~~  
 25 ~~as of~~ **UNDER THIS ACT IS** the expiration date of the previously  
 26 existing license. ~~For the renewal of~~ **TO RENEW** a license, the  
 27 licensee shall submit an application in a form provided by the

department. The department may defer the renewal of license if there is an uninvestigated outstanding criminal complaint pending against the licensee or a criminal case pending in any court against the licensee.

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

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

Sec. 26. (1) ~~Upon the death of~~ **IF** an individual ~~licensed under this act,~~ **WHO IS LICENSED AS A PRIVATE SECURITY POLICE FORCE OR IS AN OWNER OF A LICENSED PRIVATE SECURITY POLICE FORCE DIES, ANY OF THE FOLLOWING, AS APPLICABLE, MAY CONTINUE** the business with which the decedent was connected ~~may be carried on~~ for a period of 90 days: ~~by the following:~~

(a) ~~In the case of an individual~~ **IF THE** licensee **WAS AN INDIVIDUAL**, the surviving spouse, or ~~if there be none,~~ the executor or administrator of the estate of the decedent ~~+~~ **IF THERE IS NO SURVIVING SPOUSE.**

(b) ~~In the case of a partner,~~ **IF THE LICENSEE IS A PARTNERSHIP AND THE DECEDENT WAS A PARTNER**, the surviving partners. ~~+~~

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

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

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

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

22       Sec. 29. (1) The ~~license~~ **DEPARTMENT OF STATE POLICE SHALL**  
 23 **ADMINISTER THE LICENSING** of private security police and private  
 24 college security forces. ~~shall be administered by the department of~~  
 25 ~~state police.~~ The application, qualification, and enforcement  
 26 provisions under this act apply to private security police and  
 27 private college security forces except that the ~~administration of~~

1 **DEPARTMENT OF STATE POLICE SHALL ADMINISTER** those provisions, ~~shall~~  
 2 ~~be performed by,~~ and the ~~payment of the~~ appropriate fees shall be  
 3 paid to ~~, the~~ department of state police. The director of the  
 4 department **OF LICENSING AND REGULATORY AFFAIRS** may jointly  
 5 promulgate rules with the department of state police under the  
 6 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
 7 24.328, to facilitate the bifurcation of authority described in  
 8 this subsection.

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

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

25 (4) **AN EMPLOYEE OF A PRIVATE COLLEGE SECURITY FORCE OR PRIVATE**  
 26 **SECURITY POLICE FORCE IS** subject to the provisions of sections  
 27 17(1) and 19(1).



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

6       Sec. 33. A **PERSON SHALL NOT INSTALL OR OPERATE A** security  
7 alarm system ~~may not be installed or operated in this state unless~~  
8 the security alarm system is ~~either installed by a~~ **1 OF THE**  
9 **FOLLOWING:**

10       **(A) A** security alarm system contractor licensed under this  
11 act. ~~or is installed by the~~

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

14       **(C) THE** owner or occupant of a residence in his or her  
15 residence.

16       Enacting section 1. Section 19 of the private security  
17 business and security alarm act, 1968 PA 330, MCL 338.1069, is  
18 repealed.

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

21       Enacting section 3. This amendatory act does not take effect  
22 unless all of the following bills of the 97th Legislature are  
23 enacted into law:

24       (a) Senate Bill No. 983.

25  
26       (b) Senate Bill No. 986.

1 (c) Senate Bill No. 985.

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