



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 757 (Substitute S-1 as passed by the Senate)
Senate Bill 758 (Substitute S-1 as passed by the Senate)
Sponsor: Senator Marty Knollenberg
Committee: Energy and Technology

Date Completed: 4-20-18

RATIONALE

Commercial business owners often install low-voltage electric fences around the perimeter of their property to prevent theft of their outdoor inventory and equipment. However, municipalities around the State have different rules and regulations governing the installation and use of such fences. Evidently, this can be problematic for businesses that sell and install the fences. It has been suggested that the State establish uniform standards for the installation and use of low-voltage electric fences in business and industrial zones.

CONTENT

Senate Bills 757 (S-1) and 758 (S-1) would amend the Skilled Trades Regulation Act and the Single State Construction Code Act, respectively, to make exceptions from permitting requirements for the installation, maintenance, replacement, or servicing of a low-voltage electric fence.

Both bills would define "low-voltage electric fence" as an alarm system that consists of a fence structure and an energizer that produces an electric charge on contact with the fence structure and meets all of the following:

- The low-voltage electric fence is installed in a location that is zoned for a nonresidential use.
- The energizer is powered by a commercial storage battery that does not exceed 12 volts.
- The electric charge produced by the low-voltage fence upon contact does not exceed energizer characteristics set for in Paragraph 22.108 and depicted in Figure 102 of International Electrotechnical Commission Standard, IEC 60335-2-76, current edition.

In addition, under Senate Bill 758 (S-1), a low-voltage electric fence would have to meet requirements regarding warning signs, enclosure, and restricted access, as described below.

Senate Bill 757 (S-1)

Article 7 of the Skilled Trades Regulation Act governs electricians and electrical contractors. Article 7 does not apply within a municipality with an ordinance that provides licensure standards at least as stringent as those in Article 7, provides for similar enforcement, and meets other criteria.

The Act states Article 7 may not be construed as limiting the power of a municipality to enact an ordinance for the licensure of people as electrical or specialty contractors that have a place of business located in the municipality, or to provide for the licensure of journeymen electricians, sign specialists, or fire alarm specialty technicians who reside in the municipality. However, the ordinance may not require a provider to procure a permit to install, maintain, replace, or service any electrical wiring, equipment, or devices associated with a business monitoring system or with a home monitoring system.

Under the bill, the ordinance also could not require a provider to procure a permit to install, maintain, replace, or service any electrical wiring, equipment, or devices associated with a low-voltage electric fence.

Senate Bill 758 (S-1)

The Single State Construction Code Act states that a permit is not required under the Act or the State Construction Code for the installation, maintenance, replacement, or servicing of any electrical wiring, equipment, or devices related to or associated with a business monitoring system or with a home monitoring system if performed by a provider.

Under the bill, a permit also would not be required for the installation, maintenance, replacement, or servicing of any electrical wiring, equipment, or devices related to or associated with a low-voltage electric fence if performed by a provider.

In addition to the requirements listed above, the bill would require a low-voltage electric fence to meet the following requirements:

- Be identified using warning signs attached to the fence at intervals of not more than 60 feet.
- Be completely enclosed by a nonelectric fence or wall.
- Be designed so that access to or within a fenced area was restricted because of secured openings or where immediate access was necessary for life-saving or firefighting purposes.

A fire code official could require a key box to be installed in an accessible location. The key box would have to be of an approved type listed in accordance with UL 1037 (which specifies requirements for antitheft alarms and devices), and would have to contain keys to gain access as required by the fire code official.

Each warning sign would have to include the international symbol for shock and be in both English and Spanish.

MCL 339.5733 (S.B. 757)
MCL 125.1528a (S.B. 758)

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The type of apparatus described in the bills is a low-voltage electric security fence that is installed inside a business's existing fence line. It is an enhanced perimeter security system that operates hand-in-hand with a business's other security systems, such as motion detectors, security cameras, and lighting. The types of business that use electric fences typically have equipment or large outdoor inventory that needs to be secured. These might include, for example, trucking companies, metal recyclers, and equipment rental businesses. Outdoor security also is necessary for entities such as water treatment plants and ports.

It is important that business and property owners have the ability to protect their property. However, it also is necessary to have consistent and common-sense standards to regulate the types of protection they use. Requirements pertaining to the installation and use of electric fences vary from community to community, creating a patchwork of regulation. The bills would ensure that there were consistent standards in place statewide.

The bills would limit the use of these types of electric fences to commercial and industrial businesses. The bills contain provisions that would prevent residential landowners who use part of

their property for business purposes from arguing that that section of their property was a nonresidential use, despite it being zoned residential.

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Fiscal Analyst: Michael Siracuse

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.