



House Bill 1271

Business Regulation – Security Systems – Permitting and Registration

MACo Position: **OPPOSE**

To: Economic Matters Committee

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From: Natasha Mehu

The Maryland Association of Counties (MACo) **OPPOSES** HB 1271 as it severely restricts a local government's ability to regulate security system and monitoring companies. These restrictions weaken compliance with local codes, erode public safety protections, and overburden local resources.

PERMITTING

HB 1271 requires local governments to follow a universal permitting and notification system for low-voltage security systems. It also requires that these permits be available for bulk purchase without specifying the project. Currently, companies must comply with any local low-voltage electrical permitting requirements. These permits help to ensure that for each project the work to be performed is up to local code and performed by individuals properly licensed to do so within the jurisdiction.

Counties that require permitting often do not have separate requirements for security systems. The permitting scheme in this bill would create a bifurcated permitting process where counties would need to develop a separate permitting and inspection process specifically for alarm systems at the expense of county permitting and code enforcement resources. Furthermore, the cap on permitting fees would also restrict the local government from charging what has been locally determined to be sufficient for the services the county is providing.

REGISTRATIONS

HB 1271 also prohibits a local government from requiring a security system contractor or a monitoring agency to register customers and sets limits on the ability to penalize companies that fail to do so. Accurate registration is an important safety and resource management tool for local governments. It is the only way for a county to know who the customers are, which companies are servicing them, and whether all parties are complying with the local laws. As the company contracts directly with the customer, they are in the best position to ensure that

the customer is properly registered. Counties do not have the ability to track down who the customer is to enforce registration. Failure of a customer to be registered often only comes to light once an alarm has been set off and local police are notified.

It would be difficult and take significant county resources to determine who the customer is if the contractor was not required to ensure registration. A search through the State Department of Assessments and Taxation (SDAT) records would only provide the owner of the property. As properties can be leased or rented, the owner is not necessarily the party that has secured the services of the alarm company. Furthermore, local governments are often unable to obtain information about the customer from the alarm company or monitoring system directly as they do not have the proper security clearances.

It should be noted that under HB 1271, wireless security systems are fully excluded from both permitting and registration requirements, essentially leaving them completely unregulated. Given the special access granted to security companies by virtue of their trade, this seems unwise, regardless of the style of equipment being used.

FALSE ALARMS

Because of the crucial role contractors and monitoring agencies play in the registration and enforcement process, local governments would almost certainly suffer an increase in false alarm calls under this bill. False alarms are a significant drain on local law enforcement resources. Each false alarm call takes officers away from addressing true public safety needs. When customers are properly registered with the county, police are quickly able to get into contact with them so that any problems can be fixed before there are more false alarms and resources drained responding to them.

Statewide, there are 718 alarm companies and 7,500 technicians registered to do business within the state. Counties have hundreds of companies with thousands of customers operating within their borders. HB 1271 erodes a local government's ability to manage these companies and to properly protect and serve their residents. For these reasons, MACo urges an **UNFAVORABLE** report on HB 1271.