

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1093 w/CS Electrical and Alarm System Contracting
SPONSOR(S): Representative Kottkamp
TIED BILLS: **IDEN./SIM. BILLS:** SB 562

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Trades, Professions, & Reg. Business (Sub)</u>	<u>8 Y, 0 N w/am</u>	<u>Livingston</u>	<u>Liepshutz</u>
2) <u>Business Regulation</u>	<u>32 Y, 0 N w/CS</u>	<u>Livingston</u>	<u>Liepshutz</u>
3) <u>Appropriations</u>	<u>43 Y, 0 N w/CS</u>	<u>Belcher</u>	<u>Baker</u>
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

This bill addresses several provisions relating to electrical and alarm system contracting. Electrical and alarm system contracting is regulated under part II of the chapter 489, F.S. Electrical and alarm system contractors are regulated by the Electrical Contractors' Licensing Board (ECLB) within the Department of Business and Professional Regulation (DBPR).

Electrical contractor means a person who conducts business in the electrical trade and has the experience, knowledge, and skill to design, install, or modify electrical wiring, conduits, or equipment that utilize electrical energy in compliance with applicable codes. Alarm system means an electrical or signaling device "used to signal or detect a burglary, fire, robbery, or medical emergency."

This bill amends several provisions to address false alarm prevention. The bill requires certificate holders and registrants to have continuing education on false alarm prevention. The bill provides for continuing education requirements for burglar alarm system agents.

The bill requires fire alarm system agents to receive continuing education training in false alarm prevention.

The bill is not anticipated to have a significant fiscal impact on the DBPR. The bill appears to have an insignificant fiscal impact on electrical and alarm system contractors related to continuing education costs. There is no fiscal impact on local government.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1093d.ap.doc
DATE: April 6, 2004

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|--|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

1. Reduce government - The bill increases regulatory requirements for alarm system agents by requiring identification cards, as well as, card renewal and additional continuing education requirements.

B. EFFECT OF PROPOSED CHANGES:

Construction contracting is regulated under part I of chapter 489, F.S. Electrical and alarm system contracting is regulated under part II of the same chapter. Electrical and alarm system contractors are regulated by the ECLB within the DBPR.

Section 489.505(24), F.S., defines "licensure" to mean both registration and certification. Individuals who practice electrical or alarm system contracting in Florida must be registered with or certified by the ECLB. Registration allows an individual to practice contracting only in the jurisdiction that issues the individual's local license. This registration is issued by the DBPR upon proof of local licensure. Certification allows an individual to practice contracting in any jurisdiction in the state. DBPR will issue a certificate to an individual who applies to the ECLB, shows experience, and passes a DBPR/ECLB sanctioned and administered examination.

Electrical contractor means a person who conducts business in the electrical trade and has the experience, knowledge, and skill to design, install, or modify electrical wiring, conduits, or equipment that utilize electrical energy in compliance with applicable codes, s. 489.505 (12). Alarm system means an electrical or signaling device "used to signal or detect a burglary, fire, robbery, or medical emergency" pursuant to s. 489.505 (1).

Alarm system contracting is within the scope of a certified electrical contractor's license; however, it is not within the scope of a registered electrical contractor's license. Registered electrical contractors must be separately licensed as either certified or registered alarm system contractors in order to engage in alarm system contracting.

Present Situation

Section 489.517, F.S., requires licensed electrical or alarm system contractors to complete 14 hours of continuing education during each biennium following the issuance or renewal of the certificate or registration. The current breakdown in hours is 7 hours on technical subjects, 1 hour on workers' compensation, 1 hour on workplace safety, and 1 hour on business practices. The remaining 4 hours are elective subjects chosen from board approved courses.

Effect of Changes

The bill reduces the number of elective subjects by 2 hours, and requires a 2-hour course on false alarm prevention for alarm system and electrical contractors engaged in alarm system contracting.

Present Situation

Section 489.518, F.S., requires licensed electrical or alarm system contractors to obtain training, for persons in their employ who do installing, repairing, selling, servicing, or monitoring of burglar alarm systems. These persons are termed "burglar alarm system agents." Similar provisions are in s. 489.5185, F.S., for fire alarm system agents. Each law has a number of exceptions to these requirements.

These laws are designed to create a training mechanism for alarm system agents that would produce more capable work crews, and thus reduce the incidence of false alarms. "Monitoring" basically consists of answering a phone and forwarding the information in a responsible, timely and competent fashion. Persons who perform only monitoring or sales are exempt from the training requirements.

Currently, an employer is required to obtain a fingerprint and background check from the Florida Department of Law Enforcement on an applicant for employment as an alarm system agent. The statute allows the agent to work for 60 days under the supervision and control of a licensed electrical or burglar alarm contractor while completing the required training and while the background check is being completed.

Effect of Changes

The bill deletes sales personnel from the exemption from training requirements and would, therefore, require training for these agents. The bill increases the amount of training from 12 to 14 hours to allow for at least two hours of training on alarm system prevention.

The bill expands the period the applicant may work and complete the required training from 60 days to 90 days pending the results of the background checks.

The bill provides for the ECLB to establish a format for the identification card for a burglar alarm system agent, as is currently required for fire alarm system agents. Currently, no format is in place for an identification card for the burglar alarm system agent. Additionally, the bill provides that the burglar alarm system agent card, like the fire alarm system agent card, would be valid for two years and require renewal after the agent completes 6 hours of continuing education in installation, repair and false alarm prevention.

Present Situation

Section 489.5185, F.S., requires a fire alarm agent to complete a minimum of 18 hours of training that includes basic fire alarm system technology, in addition to, related training in National Fire Protection Association (NFPA) codes and standards. This is inclusive of the current 6 hours of training they must receive on fire alarm system installation and repair.

Currently, an employer contractor must provide an identification card, as approved by the ECLB, to fire alarm system agents. The fire alarm system agent card is valid for two years and requires renewal. Currently, a subsequent background check is not required upon re-issuance of the identification card.

Effect of Changes

The bill requires fire alarm agents to complete, within the 18 hours of training, training which consists of 2 hours of false alarm prevention. The bill requires the agent to complete training in false alarm prevention every 2 years.

The bill has an effective date of July 1, 2004.

C. SECTION DIRECTORY:

Section 1. Amends s. 489.517, F.S., to require two hours of classroom instruction on false alarm prevention for purposes of meeting the required continuing education requirements for renewing a certificate or registration.

Section 2. Amends s. 489.518, F.S., to require two hours of training as a prerequisite to performing alarm system agent duties; increases the time of temporary employment from 60 to 90 days during the period an application is being processed; requires an agent identification card to be renewed every two years with the format being approved by the board.

Section 3. Amends s. 489.5185, F.S., to further address training in fire alarm prevention.

Section 4. Effective date - July 1, 2004.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None anticipated.

2. Expenditures:

None anticipated.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Licensed electrical or alarm system contractors are required to complete 14 hours of continuing education during each biennium following the issuance or renewal of the certificate or registration. The bill requires a two hour course on false alarm prevention for alarm system as part of the required education. Sales personnel will be required to take the two hour training, which will increase sales personnel training from 12 to hours 14 hours. Each fire alarm agent will be required to complete the two hour course on false alarm prevention for certification and as part of the six hours of continuing training required every two years with the renewal of certification and an updated background check.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The DBPR notes, the board does have rulemaking authorization and the bill does appear to provide for sufficient guidance in issuing new rules. The DBPR points out, the bill will require rulemaking to establish the format for the burglar system agent card, the renewal card demonstrating compliance with continuing education, and disciplinary guidelines for violations.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None noted.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

The CS deletes language in the original bill that would have required additional background checks. The CS returns the criminal background requirements to current law.

On April 2, 2004, the Committee on Appropriations adopted an amendment that removed proposed language to require a second alarm verification. The bill was reported favorably as amended.