

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Regulated Industries

BILL: SB 876

INTRODUCER: Senator Bean

SUBJECT: Alarm Confirmation

DATE: January 9, 2018

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Kraemer</u>	<u>McSwain</u>	<u>RI</u>	<u>Pre-meeting</u>
2.	_____	_____	<u>CA</u>	_____
3.	_____	_____	<u>RC</u>	_____

I. Summary:

SB 876 revises s. 489.529, F.S., to require, in most circumstances, two attempts to confirm alarm signals generated by residential or commercial intrusion and burglary alarms systems that have central monitoring, before law enforcement may be contacted for response to the premises generating the alarm.

The bill requires the first attempt to confirm an active alarm signal be made by alarm monitoring personnel, through a call, text message, or other electronic means, with a person at the premises generating the alarm signal. If the first attempt to confirm the alarm signal is unsuccessful, then the central monitoring station must attempt to confirm the alarm signal a second time via communication with the premise owner, an occupant, or an authorized designee; the method of such communication is not specified.

Under current law, contact with law enforcement for a response to an alarm may not be made unless a “central monitoring verification call” is made to a telephone number associated with the premises,¹ and if that call is not answered, then other, undefined “call-verification methods” for the premises must be employed. Current law does not specify that verification activities must be engaged in by “alarm monitoring personnel.”

SB 876 has no impact on state government. See Section V, Fiscal Impact Statement.

The bill provides an effective date of July 1, 2018.

¹ Section 498.529, F.S., was revised effective October 1, 2017, to require the first verification call be made to a telephone number associated with the premises. See ch. 2017-52, s. 2, Laws of Fla.

II. Present Situation:

An alarm system is “any electrical device, signaling device, or combination of electrical devices used to signal or detect a burglary, fire, robbery, or medical emergency.”² An alarm system includes home-automation equipment, thermostats, closed-circuit television systems, and video cameras.³ Alarm systems contractors must be licensed, have sufficient technical expertise in the trade prior to licensure, and be tested on technical and business matters.⁴ Part II of ch. 489, F.S., deals with the licensing of electrical and alarm systems contractors who install such alarms.⁵

Verification of Intrusion/Burglary Alarm Signals

All residential or commercial intrusion/burglary alarms with central monitoring must have a central monitoring verification call made to a telephone number associated with the premises generating the alarm signal, before alarm monitor personnel may contact a law enforcement agency for dispatch of law enforcement officers to the premises.⁶ The central monitoring station must employ call-verification methods for the premises generating the alarm signal, if the first call is not answered.⁷

Verification calling is not required, however, if the intrusion/burglary alarm:

- Has a properly operating visual or auditory sensor that enables the monitoring personnel to verify the alarm signal; or
- Is installed on a premises used for the storage of firearms or ammunition by a customer who holds a valid federal firearms license as a manufacturer, importer, or dealer of firearms or ammunition (licensed firearms dealer),⁸ who has notified the alarm monitoring company that he or she would like to bypass the two-call verification protocol.⁹

Upon initiation of a new alarm monitoring service contract, an alarm monitoring company must make reasonable efforts to inform a customer who is a licensed firearms dealer of the right to opt out of the two-call verification protocol.¹⁰

² See s. 489.505(1), F.S.

³ See s. 553.793(1)(b), F.S.

⁴ See s. 489.501, F.S.

⁵ See ss. 489.501 through 489.538, F.S.

⁶ See s. 489.529, F.S.

⁷ *Id.*

⁸ The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) notes that each year, it receives thousands of reports of theft or loss from federally licensed firearms dealers. The steps that the ATF recommends to protect a firearms business include store design measures, after-hours security methods, reinforcement and narrowing of store door and window openings, alarm systems, and 24-hour video camera recording adequate to capture faces and features. See <https://www.atf.gov/firearms/learn-about-firearms-safety-and-security> (last visited Jan. 4, 2018).

⁹ See s. 489.529, F.S.

¹⁰ See s. 489.529(2), F.S.

Licensed Alarm System Contractors

Part II of ch. 489, F.S., dealing with electrical and alarm system contracting, sets forth requirements for qualified persons to be licensed if they have sufficient technical expertise in the applicable trade, and have been tested on technical and business matters.¹¹ The Electrical Contractors' Licensing Board (board) in the Department of Business and Professional Regulation (DBPR) implements Part II of ch. 489, F.S.¹² An alarm system is “any electrical device, signaling device, or combination of electrical devices used to signal or detect a burglary, fire, robbery, or medical emergency.”¹³ An alarm system includes home-automation equipment, thermostats, closed-circuit television systems, and video cameras.¹⁴

Section 489.505, F.S., specifies the types of contractors that may lay out, fabricate, install, maintain, alter, repair, monitor, inspect, replace, or service alarm systems. An alarm system contractor is a person whose business includes the execution of contracts requiring the ability, experience, science, knowledge, and skill to conduct all alarm services for compensation, for all types of alarm systems for all purposes.¹⁵ The term also includes any person, firm, or corporation that engages in the business of alarm contracting under an expressed or implied contract or that undertakes, offers to undertake, or submits a bid to engage in the business of alarm contracting.¹⁶ An alarm system contractor whose business includes all types of alarm systems for all purposes is designated as an “alarm system contractor I;” the practice area of an “alarm system contractor II” is identical except it does not include fire alarm systems.¹⁷

The DBPR may also issue geographically unlimited certificates of competency to an alarm system contractor (certificateholder).¹⁸ The scope of certification is limited to specific alarm circuits and equipment, and no mandatory licensure requirement is created by the availability of a certification.¹⁹

Part IV of ch. 553, F.S., constitutes the Florida Building Codes Act (act). The act provides a mechanism for the uniform adoption, updating, amendment, interpretation, and enforcement of the Florida Building Code, consisting of a single set of documents that apply to the design, construction, erection, alteration, modification, repair, or demolition of public or private

¹¹ See s. 489.501, F.S.

¹² See ss. 489.507 through 489.517, F.S., concerning the powers and duties of the board.

¹³ See s. 489.505(1), F.S.

¹⁴ See s. 553.793(1)(b), F.S.

¹⁵ See s. 489.505(2), F.S.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ See ss. 489.505(4), 489.505(5), and 489.515(1), F.S.

¹⁹ See s. 489.505(7), F.S., which describes the limitations on the scope of a certificate of competency as those circuits originating in alarm control panels and equipment governed by the Articles 725, 760, 770, 800, and 810 of the National Electrical Code, Current Edition, and National Fire Protection Association Standard 72, Current Edition, as well as the installation, repair, fabrication, erection, alteration, addition, or design of electrical wiring, fixtures, appliances, thermostats, apparatus, raceways, and conduit, or any part thereof not to exceed 98 volts (RMS), when those items are for the purpose of transmitting data or proprietary video (satellite systems that are not part of a community antenna television or radio distribution system) or providing central vacuum capability or electric locks. With respect to voltage and current, RMS is the abbreviation for “root mean square,” a statistical term defined as the square root of mean square. See <http://www.practicalphysics.org/explaining-rms-voltage-and-current.html> (last visited Jan. 4, 2018).

buildings, structures, or facilities, and to the enforcement of such requirements.²⁰ The Florida Building Code is adopted, modified, updated, interpreted, and maintained by the Florida Building Commission.²¹

Pursuant to s. 553.88, F.S., the current edition of the following standards are in effect to establish minimum electrical and alarm standards in Florida:

- National Electrical Code, NFPA²² No. 70;
- Underwriters' Laboratories, Inc. (UL), Standards for Safety, Electrical Lighting Fixtures, and Portable Lamps, UL 57 and UL 153;
- Underwriters' Laboratories, Inc., Standard for Electric Signs, UL 48;
- The provisions of the following which prescribe minimum electrical and alarm standards:
 - NFPA No. 56A, Inhalation Anesthetics;
 - NFPA No. 56B, Respiratory Therapy;
 - NFPA No. 56C, Laboratories in Health-related Institutions;
 - NFPA No. 56D, Hyperbaric Facilities;
 - NFPA No. 56F, Nonflammable Medical Gas Systems;
 - NFPA No. 72, National Fire Alarm Code; and
 - NFPA No. 76A, Essential Electrical Systems for Health Care Facilities;
- The rules and regulations of the Department of Health, entitled "Nursing Homes and Related Facilities Licensure"; and
- The minimum standards for grounding of portable electric equipment in Florida Administrative Code Rule Chapter 8C-27, as recommended by the Division of Workers' Compensation in the Department of Financial Services.

Section 553.71(5), F.S., provides that a local enforcement agency²³ is an agency with jurisdiction to make inspections of buildings and to enforce the codes that establish standards for design, construction, erection, alteration, repair, modification, or demolition of public or private buildings, structures, or facilities. A local enforcement agency must make uniform permit labels available for purchase by a contractor for the installation or replacement of a new or existing alarm system for not more than \$40 per label per project per unit, and may not require the payment of any additional fees, charges, or expenses associated with the installation or replacement of an alarm system.²⁴

²⁰ See s. 553.72(1), F.S., which also indicates that effective and reasonable protection for public safety, health, and general welfare at the most reasonable cost to the consumer is also intended.

²¹ See s. 553.72(3), F.S.

²² NFPA is the acronym for the National Fire Protection Association, which is an international nonprofit organization established in 1896. Its mission is to reduce the worldwide burden of fire and other hazards on the quality of life by providing and advocating consensus codes, standards, research, training and education. The NFPA develops, publishes, and disseminates more than 300 consensus codes and standards intended to minimize the possibility and effects of fire and other risks. See <http://www.nfpa.org/about-nfpa> (last visited Jan. 2, 2018).

²³ Section 553.71(5), F.S., of the Florida Building Codes Act defines local enforcement agency as an agency of local government, a local school board, a community college board of trustees, or a university board of trustees in the State University System with jurisdiction to make inspections of buildings and to enforce the codes which establish standards for design, construction, erection, alteration, repair, modification, or demolition of public or private buildings, structures, or facilities.

²⁴ See s. 553.793(5), F.S.

A municipality, county, district, or other entity of local government may not adopt or maintain in effect any ordinance or rule regarding a low-voltage alarm system project that is inconsistent with s. 553.793, F.S.²⁵

III. Effect of Proposed Changes:

SB 876 revises s. 489.529, F.S., to require, in most circumstances, two attempts to confirm alarm signals generated by residential or commercial intrusion and burglary alarms systems that have central monitoring, before law enforcement may be contacted for response to the premises generating the alarm.

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Under current law, contact with law enforcement for a response to an alarm may not be made unless a “central monitoring verification call” is made to a telephone number associated with the premises,²⁶ and if that call is not answered, then other, undefined “call-verification methods” for the premises must be employed. Current law does not specify that verification activities must be engaged in by “alarm monitoring personnel.”

The authorization in current law for immediate contact with law enforcement for a response to an active alarm is retained, when the intrusion/burglary alarm generating the alarm:

- Has a properly operating visual or auditory sensor that allows monitoring personnel to verify the alarm signal; or
- Is installed on a premises that is used for the storage of firearms or ammunition by a person who holds a valid federal firearms license.²⁷

The bill provides an effective date of July 1, 2018.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

²⁵ See s. 553.793(10), F.S.

²⁶ Section 498.529, F.S. was revised effective October 1, 2017, to require the first verification call be made to a telephone number associated with the premises. See ch. 2017-52, s. 2, Laws of Fla.

²⁷ *Id.*

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

SB 876 provides additional methods for confirmation of an alarm signal generated at a residential or commercial premises with a centrally monitored intrusion/burglary alarm and could assist in reducing the number of alarm dispatch calls to law enforcement agencies. However, requiring the initial confirmation attempt to be made with a person at the premises may cause delay when there is no one at the premises, or the third parties authorized to verify the validity of alarm signals are not located at the premises.

The bill requires that the first attempt to confirm an alarm signal be performed by “alarm monitoring personnel,” and may result in increased staffing costs for alarm system operators. Current law requires a “central monitoring call” be made before contacting law enforcement for a response, thereby potentially allowing for more cost effective automation of this task.

C. Government Sector Impact:

Reductions in false alarms may reduce the costs of responses to intrusion/burglary alarms by local governments and law enforcement agencies.

Reduction of false alarm calls may alleviate the associated burden to law enforcement agencies that must respond to premises generating intrusion/burglary alarms. Authorizing the use of text messages and other electronic means as methods that may be used in addition to telephone calls to attempt to confirm of an alarm signal with a person “at” the premises generating the alarm signal may reduce false alarms, but may reduce the number of persons who may be available to confirm or verify an alarm signal to only those physically “at” the premises.

VI. Technical Deficiencies:

None.

VII. Related Issues:

SB 876 revises s. 489.529, F.S., to reference “alarm confirmation” and “alarm signal confirmation,” in lieu of “alarm verification” and “verification.” However, all references in s. 489.529, F.S., to “verification” are not revised. The use of both terms in s. 489.529, F.S.,

leaves unclear whether there is an intent to distinguish between “confirmation” and “verification” of alarm signals.

Similarly, the bill requires “alarm monitoring personnel” to first attempt to confirm the alarm signal, but requires the “central monitoring station” to make the second attempt to confirm the alarm signal. The use of distinct terms for each attempt leaves unclear whether each of the attempts to confirm an alarm signal is to be handled differently.

SB 876 also requires that the first attempt to confirm an alarm signal be made “with a person *at* the premises generating the alarm signal,” which may limit the number of persons who may confirm or verify an alarm signal to only those physically “at” the premises.

VIII. Statutes Affected:

This bill substantially amends section 489.529 of the Florida Statutes.

IX. Additional Information:

- A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.