



North Carolina Department of Public Safety

Alarm Systems Licensing Board

Josh Stein, Governor
Eddie M. Buffaloe, Jr., Secretary

Caroline Brown, Chair
Paul Sherwin, Director

MINUTES OF THE NORTH CAROLINA ALARM SYSTEMS LICENSING BOARD

Date: July 15, 2025
Time: 1:00 p.m.
Location: Hampton Inn and Suites – Raleigh/Crabtree Valley hotel
3920 Arrow Dr
Raleigh, NC 27612

Board Members Present

Mack Donaldson
Caroline Brown (virtual)
Tommy Whisnant
Thomas Vermillion

Board Members Absent

Jamie Brown
Mary Wood

Board Staff Present

Director Paul Sherwin
Deputy Director Ray Bullard
Attorney Jeff Gray
Field Services Supervisor Kim Odom

Visitors (5 in person, 3 virtual)

Ken Henke
Jason Lindquist
Kirk T. Metcalf, Jr.
Timothy Ray Mangum
Duncan Hubbard
Andy Hull
Denice Childress
Robin T. Barrett

Call to Order

The July 15, 2025, meeting of the North Carolina Alarm Systems Licensing Board was called to order by Tom Vermillion at 1:00 p.m.

State Ethics Law

Attorney Jeff Gray read the following statement:

"In accordance with the State Ethics Act, it is the duty of every Board member to avoid both conflicts of interest and the appearance of conflict. If any Member has any known conflict of interest or appearance of conflict with respect to any matter coming before this Board today, please identify the conflict or appearance of conflict and refrain from the deliberation and vote in that matter."

Welcome Guests

Mr. Vermillion as vice-chair, presiding, welcomed all guests.

Final Agency Decision(s)

Attorney Gray reported there were no final agency decisions this month.

Approval of the May 2025 Meeting Minutes

Motion: Tommy Whisnant motioned to approve the May 2025 Board meeting minutes. Mack Donaldson seconded. The motion carried unanimously.

Committee Reports

Grievance Committee: Grievance Committee members Mack Donaldson and Tom Vermillion met on July 15, 2025, from 9 a.m. to 9:53 a.m. and heard four cases. Committee Chair Mack Donaldson presented the Grievance Committee report.

Motion: Tommy Whisnant motioned to accept the Grievance Committee report. Caroline Brown seconded. The motion carried unanimously.

See the attachment for the full Grievance Committee report.

Screening Committee: Screening Committee members Tommy Whisnant, Mack Donaldson, and Tom Vermillion met on July 15, 2025, from 11:09 a.m. to 12:31 p.m. to review 12 license applications and one registration denial. Committee member Tommy Whisnant presented the Screening Committee report.

Motion: Mack Donaldson motioned to accept the Screening Committee report. Caroline Brown seconded. The motion carried unanimously.

See the attachment for the full Screening Committee report.

Training and Education Committee: Committee member Tom Vermillion presented the Training and Education Committee report. Mr. Vermillion reported that the Committee reviewed one application for a new continuing education course and six applications to renew continuing education courses. Mr. Vermillion recommended approving all course applications.

Motion: Tommy Whisnant motioned to approve the Training and Education Committee report. Mack Donaldson seconded. The motion carried unanimously.

See the attachment for the full Training and Education Committee report.

Board Elections

Attorney Jeff Gray opened the nominations to elect new Board officers.

Board Chair

Motion: Tommy Whisnant motioned to nominate Caroline Brown for Board chair. Mack Donaldson seconded.

No additional nominations were made.

Motion: Tommy Whisnant motioned to close nominations for Board chair. Mack Donaldson seconded.

Caroline Brown was unanimously elected as Board chair.

Board Vice Chair

Motion: Tom Vermillion motioned to nominate Jamie Brown for Board vice chair. Caroline Brown seconded.

No additional nominations were made.

Motion: Mack Donaldson motioned to close nominations for Board vice chair. Tommy Whisnant seconded.

Jamie Brown was unanimously elected as Board vice chair.

Grievance Committee Chair

Motion: Tommy Whisnant motioned to nominate Tom Vermillion for Grievance Committee chair. Mack Donaldson seconded.

No additional nominations were made.

Motion: Mack Donaldson motioned to close nominations for Grievance Committee chair. Caroline Brown seconded.

Tom Vermillion was unanimously elected as Grievance Committee chair.

Legislative Committee Chair

Motion: Caroline Brown motioned to nominate Tommy Whisnant for Legislative Committee chair. Tom Vermillion seconded.

No additional nominations were made.

Motion: Tom Vermillion motioned to close nominations for Legislative Committee chair. Mack Donaldson seconded.

Tommy Whisnant was unanimously elected as Legislative Committee chair.

Finance Committee Chair

Motion: Tommy Whisnant motioned to nominate Tom Vermillion for Finance Committee chair. Caroline Brown seconded.

No additional nominations were made.

Motion: Mack Donaldson motioned to close nominations for Finance Committee chair. Tommy Whisnant seconded.

Tom Vermillion was unanimously elected as Finance Committee chair.

Training and Education Committee Chair

Motion: Mack Donaldson motioned to nominate Tom Vermillion for Training and Education Committee chair. Tommy Whisnant seconded.

No additional nominations were made.

Motion: Tommy Whisnant motioned to close nominations for Training and Education Committee chair. Caroline Brown seconded.

Tom Vermillion was unanimously elected as Training and Education Committee chair.

Old Business

Director Sherwin reported that per the Board's request, he had drafted a document outlining expectations and procedures for those attending meetings of the Board and its committees. The Board instructed Director Sherwin to begin distributing the document to Board meeting attendees.

New Business

Director Sherwin reported that the International Association of Security and Investigative Regulators (IASIR), of which the Board is a member, is holding its annual conference in Kansas

City, M.O., October 8 – 10, 2025. Director Sherwin asked if the Board would like to send a representative. The Board authorized Tommy Whisnant to attend the conference. Director Sherwin presented the Board with the proposed meeting schedule for 2026:

- January 13, 2026 - Raleigh, NC
- March 17, 2026 - Raleigh, NC
- May 19, 2026 - Raleigh, NC
- July 21, 2026 - Raleigh, NC
- September 15, 2026 - Raleigh, NC
- November 17, 2026 - Raleigh, NC

Motion: Tom Vermillion motioned to approve the proposed meeting dates. Mack Donaldson seconded. The motion carried unanimously.

Director's Report

Director Paul Sherwin presented the Director's Report. The report included information about personnel changes, the status of the Board's active licensees and registrants, and a Board finances update.

The Board requested that Director Sherwin and Board staff resume conducting industry training sessions following select Board meetings. Director Sherwin stated the training would resume following the September and March Board meetings.

Motion: Mack Donaldson motioned to accept the Director's Report. Tom Vermillion seconded. The motion carried unanimously.

See the attachment for the full Director's Report.

Attorney's Report

Attorney Jeff Gray presented his Attorney's Report, which included updates about the status of consent agreements, pending administrative rules changes, and legislative updates.

Attorney Gray stated that the Board's new administrative rule (14B NCAC 17 .0109) addressing the Board's declaratory ruling procedure had received no public comment and he recommended the Board approve the rule and file it with the Rules Review Commission.

Motion: Mack Donaldson motioned to approve the adoption of rule 14B NCAC 17 .0109 Declaratory Ruling Procedures. Tommy Whisnant seconded. The motion carried unanimously.

In addition, Attorney Gray informed the Board that Senate Bill 710, amending N.C. Gen. Stat. § 74D to update it, passed the General Assembly on June 25 and was signed by Governor Stein on July 2, 2025. Attorney Gray stated that as a result, the Board will need to amend or create several administrative rules. The Board authorized Attorney Gray and Board staff to draft any needed amendments or new rules and bring the proposals back to a future Board meeting.

Motion: Tommy Whisnant motioned to approve the Attorney's Report. Mack Donaldson seconded. The motion carried unanimously.

See the attachment for the full Attorney's Report.

Good of the Order and Public Comment

None.

Closed Session – Pending Litigation

None.

Adjournment

Motion: Mack Donaldson motioned to adjourn the meeting. Tommy Whisnant seconded. The motion carried unanimously.

Meeting adjourned at 1:46 p.m.

Paul Sherwin, Director

Syconda Marrow, Board Secretary

ASLB Grievance After Report for July 15, 2025 9:00 am

	Case Number	Complaint Against	Allegation(s)	Grievance Committee Recommendation	Board Action
1.	2025-ASLB-010	Mark Calvin Womack BFPE International, A Security Division 115 Bestwood Dr Clayton, NC 275200000	14B NCAC 17.0206(b)	Find a violation of NCGS 74D-8. Enter into a consent agreement with Mark Womack and BFPE International, A Security Division in the amount of \$4,284.00 for 21 registration violations.	Accepted
2.	2025-ASLB-011	William F. Peel Datawatch Systems Inc. 4520 East-West Highway #200 Bethesda, MD 20814	NCGS 74D-2	Find a violation of NCGS 74D-2. Enter into a consent agreement with Daniel Sanderoff and Datawatch Systems Inc. in the amount of \$3,060.00 for 36 months of unlicensed activity. Staff is to conduct registration audits of calendar years 2022, 2023, 2024; and 2026, 2027 and 2028. Refer this matter to the Screening Committee should Mr. Sanderoff or Datawatch Systems Inc. apply for a license.	Accepted
3.	2025-ASLB-013	Charlton Resch AFL Enterprise Services, Inc. 11211 Allen Station Drive Suite A Mint Hill, NC 28227	NCGS 74D-8	Find a violation of NCGS 74D-8. Enter into a consent agreement with Charlton Resch and AFL Enterprise Services, Inc. in the amount of \$1,224.00 for six registration violations.	Accepted
4.	2025-ASLB-020	Paul Galeski Havensmart Carolinas, LLC 1409 NC-16 Suite A Denver, NC 28037	NCGS 74D-2	Find a violation of NCGS 74D-2. Enter into a consent agreement with Stephen Tate and Havensmart Carolinas, LLC in the amount of \$765.00 for nine months of unlicensed activity. Refer this matter to the Screening Committee should Mr. Tate or Havensmart Carolinas, LLC apply for a license.	Accepted

Board Meeting Report

Board Date 07/15/2025

	Name Company Address	License	Committee Recommendation	Board Action
1.	Samuel Mason Harlan Jr Facility Networks Integration LLC PO Box 196 Bolivia, NC 28422	Alarm	Approve	Accepted
2.	Tyler Glenn Johnson Modern Edge Technologies 6629 Old US Hwy 421 East Bend, NC 27018	Alarm	Approve	Accepted
3.	Braxton Steven Moyer Intrepid Build LLC 916 East St Pittsboro, NC 27312	Alarm	Approve	Accepted
4.	Shane Eugene Murphy Johnson Controls Security Solutions LLC 36 Rosscraggon Rd Asheville , NC 28803-8201	Alarm	Approve	Accepted
5.	Christopher Jacob Nowlin i-Tech Security & Network Solutions 9415 NC 150 Clemmons, NC 27012	Alarm	Approve	Accepted
6.	Christopher Oxendine Ox Security 400 W. English Rd., Suite 237 High Point, NC 27262	Alarm	Approve	Accepted
7.	Francisco Perez Perez Electrical Services LLC 1186 Salem drive ne Leland , NC 28451	Alarm	Approve	Accepted

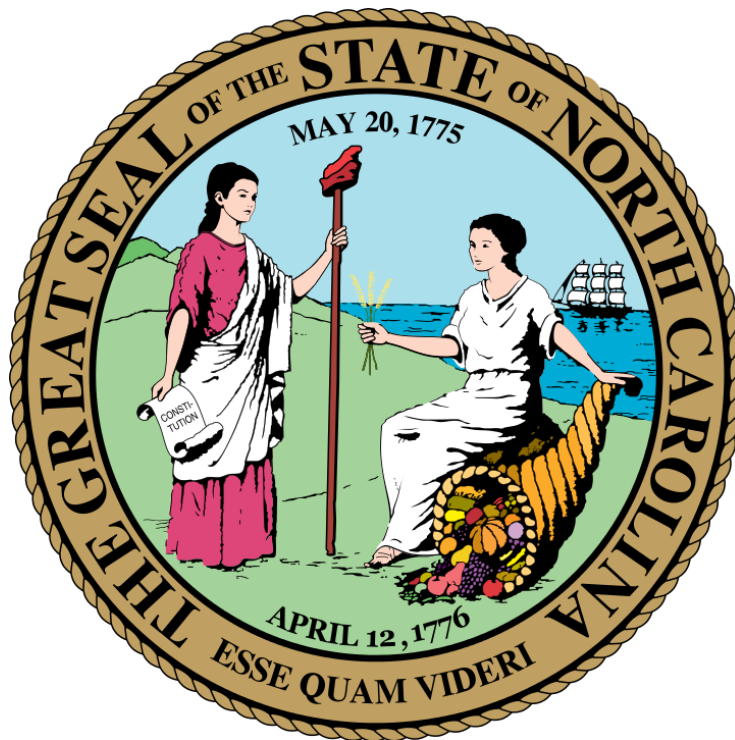
	Name Company Address	License	Committee Recommendation	Board Action
8.	JAIMON KEITH PERRY A3 COMMUNICATIONS, INC. 26701 RICHMOND RD. BEDFORD HEIGHTS, OH 44146	Alarm	Approve with Condition Jaimon Perry and A3 Communications, Inc. enter into and pay a consent agreement of \$340.00 for four months of unlicensed activity.	Accepted
9.	Daniel Jason Sanderoff Datawatch Systems, Inc. 2905 Elmfield St Raleigh, MD 27614	Alarm	Approve with Condition Daniel Sanderoff and Datawatch Systems, Inc. enter into and pay a consent agreement of \$3,060.00 for 36 months of unlicensed activity.	Accepted
10.	Stephen Gregory Tate Havensmart Carolinas LLC 885 Tallevast Road Sarasota, FL 34243	Alarm	Approve with Condition Stephen Tate and Havensmart Carolinas LLC enter into and pay a consent agreement of \$765.00 for nine months of unlicensed activity.	Accepted
11.	Greg A Widmaier VSC Fire & Security 263 Hein Dr. Garner, NC 27529	Alarm	Approve	Accepted
12.	Timothy Joseph Wright ArcEye Property Defense, LLC 7750 Trinity Rd. Cordova, TN 38018	Alarm	Approve	Accepted

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NORTH CAROLINA ALARM SYSTEMS LICENSING BOARD

July 15, 2025

DIRECTOR'S REPORT



Paul Sherwin, Director

DIRECTOR'S REPORT

- I. PPS information and updates, page 3**
- II. Registration and licensing summary, page 5**
- III. Budget summary, page 6**
- IV. Budget graphics, page 7**

PPS INFORMATION AND UPDATES

Personnel

Private Protective Services currently has two vacant positions:

- Registration Processor (2) – Recruitment in process

Gerri Bowen on May 5, 2025, started with Private Protective Services as a registration processor. Bowen brings many years of experience working in the law enforcement profession, including in sworn and civilian positions with the Wake County Sheriff's office, the Roanoke Chowan Drug Task Force, the Williamston Police Department, and Northampton County Sheriff's Office. She has also worked as a substitute teacher, postal worker, and most recently as a registered armed security guard with a PPSB-licensed security guard and patrol company. She has three children, one of which works in law enforcement as a state trooper.

Operations

Registration Unit

- Registration applications received YTD 2025: 2,429
 - Same period 2024: 2,385
 - Same period 2023: 2,388
 - Same period 2022: 2,237
 - Same period 2021: 2,296
 - Same period 2020: 1,952
 - Same period 2019: 2,678

Licensing Unit

- License applications received YTD 2025: 230
 - Same period 2024: 216
 - Same period 2023: 235
 - Same period 2022: 194
 - Same period 2021: 252
 - Same period 2020: 206
 - Same period 2019: 268

Investigations Unit

- New license applicant background investigations YTD 2025: 41
 - Same period 2024: 36
 - Same period 2023: 35
 - Same period 2022: 38
 - Same period 2021: 31
 - Same period 2020: 56
 - Same period 2019: 60

- Complaint investigations completed YTD 2025: 30
 - Same period 2024: 12
 - Same period 2023: 19
 - Same period 2022: 14
 - Same period 2021: 19
 - Same period 2020: 13
 - Same period 2019: 17

OTHER

Green Building Services, LLC, under the supervision of qualifying agent Craig Williams (760300-CSA), was recently selected for a random compliance audit for Q1 2024. Investigator Batton's audit determined Williams is the sole employee of the company, and no violations were found.

Integrity Fire and Security, under the supervision of qualifying agent William McKnight (2165-CSA), was recently selected for a random compliance audit for Q1 2024. Investigator Batton's audit determined McKnight is the sole employee of the company, and no violations were found.

Microtech Fire Security and Controls, under the supervision of qualifying agent Kenneth Boggs (1351-CSA), was recently selected for a random compliance audit for Q1 2024. Investigator Batton's audit determined Boggs is the sole employee of the company, and no violations were found.

Protection Systems Technologies II, Inc., under the supervision of qualifying agent Christopher Crowe (2322-CSA), was recently selected for a random compliance audit for Q3 2024. Investigator Batton determined Q3 2024 was previously audited during investigation 2024-ASLB-027, in which three registration violations were discovered. Therefore, a second audit of Q3 2024 was not conducted.

Comcast Broadband Security, LLC dba Xfinity Home, under the supervision of qualifying agent Lou Richard (2335-CSA), was recently selected for a random compliance audit of Q3 2024. Investigator Batton determined Xfinity Home did not have any security alarm employees during the selected quarter, and no violations were found.

Integrated Electrical and Electronic Solutions, Inc., under the supervision of qualifying agent John McCoury (2341-CSA), was recently selected for a random compliance audit of Q4 2024. Investigator Batton's audit reviewed the records of five employees, and it was determined the employees worked strictly in electrical assignments that do not require registration. No violations were found.

REGISTRATION AND LICENSING SUMMARY

Total active in Permitium: 7,491
(+3.4% from May 2025 meeting)

Registration		
	Alarm Registrant	6,667
Registration Total		6,667
License		
	Alarm Licensee	824
License Total		824

FINANCIAL REPORTS

Alarm Systems Licensing Board Financial Report

Fiscal Year 2025

July 1, 2024 - May 31, 2025

ASLB Operating Fund Revenue and Expenditures

FYTD25 Revenue	\$ 599,188.52
FYTD25 Expenditures	\$ (447,223.27)
FYTD25 Fund Balance Increase/(Decrease)	\$ 151,965.25

ASLB Operating Fund Cash Flow

Beginning Balance (July 1, 2024)	\$ 954,110.92
FYTD25 Revenue	\$ 599,188.52
FYTD25 Expenditures	\$ (447,223.27)
Current Fund Balance	\$ 1,106,076.17
Months of Operating Expenses in Reserve	19.3

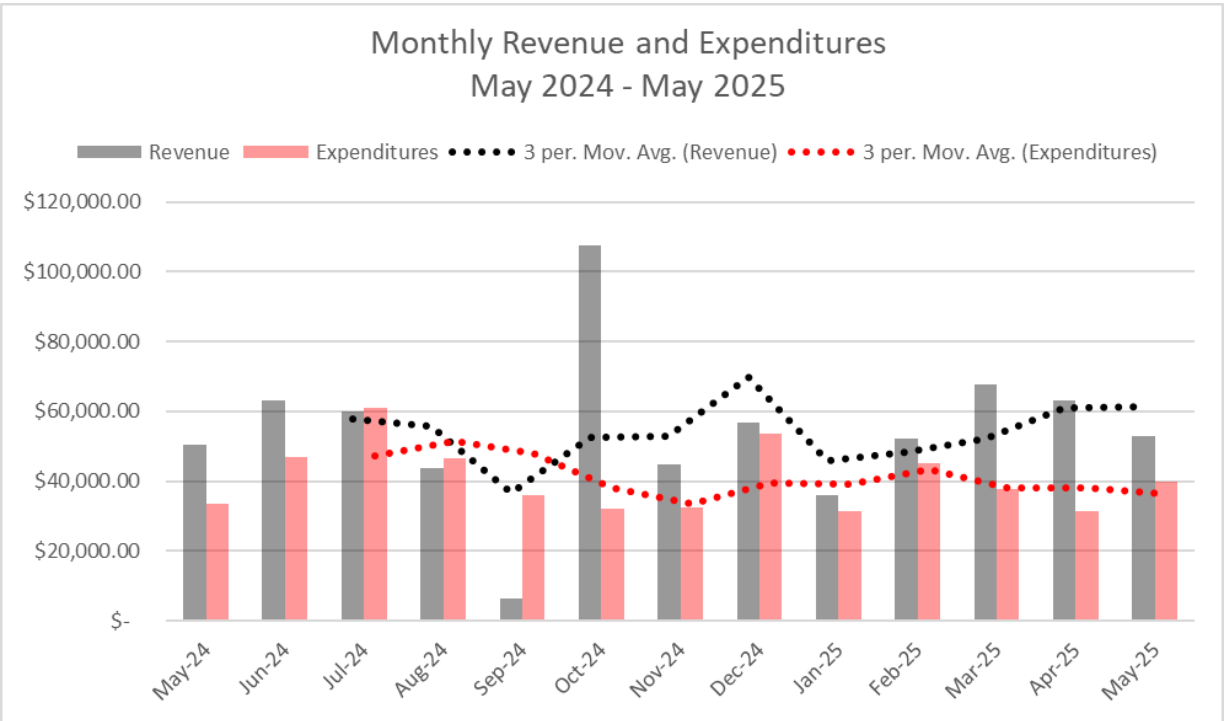
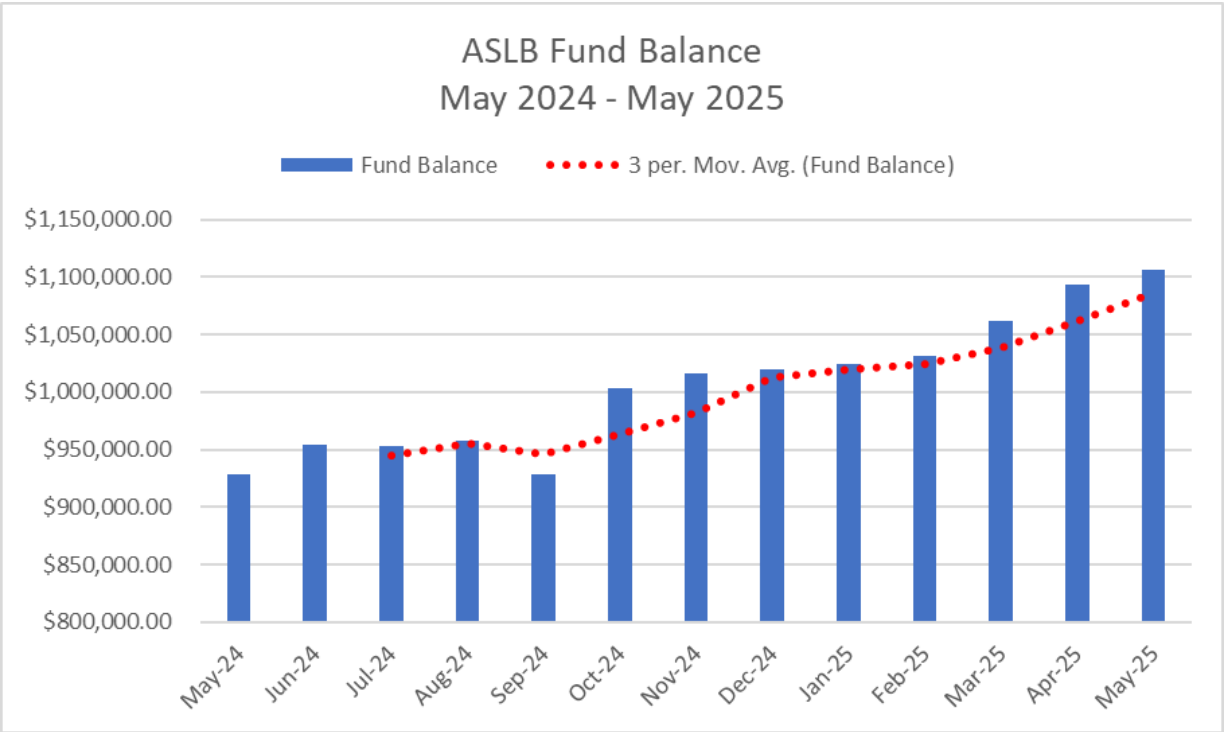
ASLB Education Fund Revenue and Expenditures

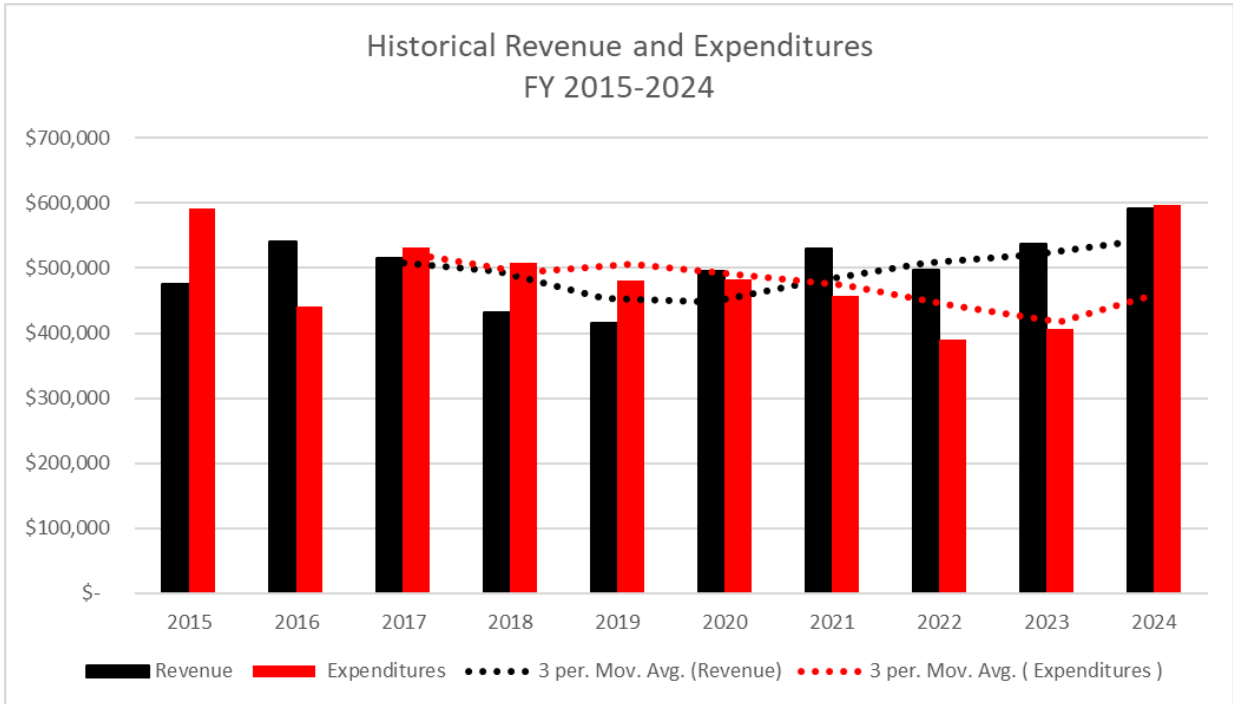
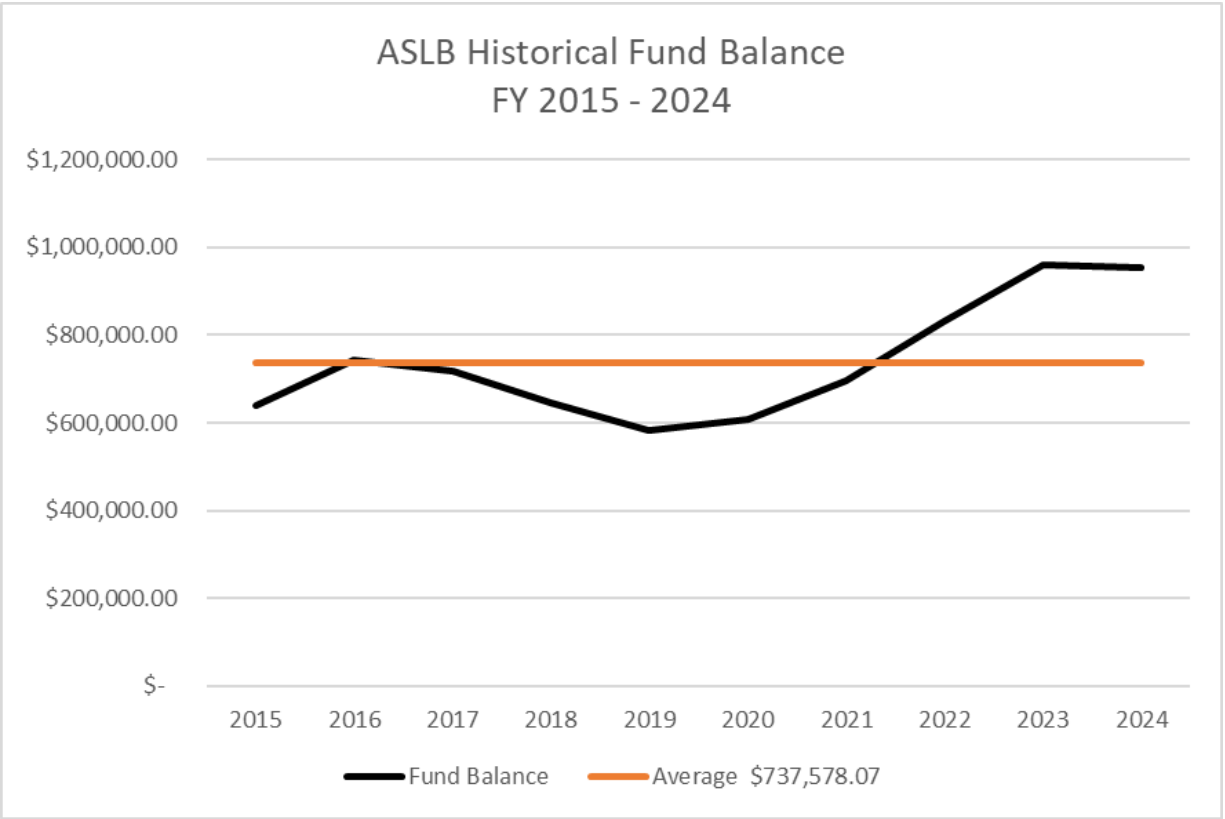
FYTD25 Revenue	\$ 2,600.00
FYTD25 Expenditures	\$ (15,000.00)
FYTD25 Fund Balance Increase/(Decrease)	\$ (12,400.00)

ASLB Education Fund Cash Flow

Beginning Balance (July 1, 2024)	\$ 94,134.68
FYTD25 Revenue	\$ 2,600.00
FYTD25 Expenditures	\$ (15,000.00)
Current Fund Balance	\$ 81,734.68

BUDGET GRAPHICS





ALARM SYSTEMS LICENSING BOARD

Raleigh, North Carolina

July 15, 2025

ATTORNEY'S REPORT



ALARM SYSTEMS LICENSING BOARD

Raleigh, North Carolina

July 15, 2025

I. CONSENT AGREEMENTS & CIVIL PENALTIES

On January 7, 2025, Anthony Dodge/Integrated Installations, Inc. (audit) entered into a Consent Agreement in the amount of \$1,020.00 for registration violations. The temporary agreement was signed by QA Anthony Dodge on January 7, 2025. Payment has been received. (PAID IN FULL)

On May 1, 2025, Kelly Coggin/Coggin Security, Inc. (audit) entered into a Consent Agreement in the amount of \$5,304.00 for registration violations. Payment has been received. (PAID IN FULL)

On May 1, 2025, Corey Delmar/Jarrett Security Systems, LLC entered into a Consent Agreement in the amount of \$3,060.00 for thirty-six months unlicensed activity. Payment has been received. (PAID IN FULL)

On May 1, 2025, Joseph Patrick Fisher/Linx, LLC entered into a Consent Agreement in the amount of \$1,343.00 for eleven months unlicensed activity and two registration violations. Payment has been received. (PAID IN FULL)

II. OFFICE OF ADMINISTRATIVE HEARINGS

See, Hearings List (attachment 1.)

III. PENDING LITIGATION

The Board denied the alarm systems business license for Jake C. Engle, Engle IT, LLC and the applicant requested a hearing before the Office of Administrative Hearings. The Board rejected the Proposed Final Decision of the Administrative Law Judge finding Petitioner Engle lacked good moral character based on his criminal record. You entered your Final Agency Decision on December 10, 2024. The applicant petitioned for judicial review and a hearing was held on April 10, 2025, in Watauga County. The Petition was denied, thereby upholding the Board's Final Agency Decision. Petitioners did not appeal. Instead, Petitioners filed a second Petition for Judicial Review and a "Motion to Accept Late-Filed Petition."

There is no statutory authority for filing either the second Petition or the Motion, however, a hearing has been calendared for Monday, July 21st back in Watauga County. If the Motion is granted, the hearing on the Petition will be heard immediately thereafter.

IV. ADMINISTRATIVE RULES

The rule adoption to create a procedure for requesting a declaratory ruling approved at the Board's March meeting was filed on April 7, 2025. The Public Hearing was held on Tuesday, May 20, 2025, at 2:00 p.m. at the Board's office. There were no comments written or oral.

After publication in the Register, I discovered a misspelling and a "must" that should have been a "shall." These are not substantive changes, so both were corrected.

A copy of this new rule, as corrected, is attached as Attachment 2.

A motion to approve is in order for today's meeting.

V. LEGISLATION

- a. A new "modernization" bill, with almost identical provisions to the last three (unsuccessful) versions, was approved at a Special Meeting of the Board on January 31, 2025. A draft was provided to DPS's legislative liaison by Director Sherwin and was introduced as a part of a larger, omnibus bill making changes to many of the component parts of the Department of Public Safety, Senate Bill 710, entitled "DPS Agency Changes." As you were previously made aware, this bill passed the General Assembly on June 25, 2025, and was signed by the Governor on July 2nd.

While the bill survived the legislative process intact, unfortunately, one provision -- a systematic fee increase -- was inexplicably removed in the House Finance Committee. I have attached the relevant portions of the bill as Attachment 3.

Its many provisions are effective October 1, 2025.

- b. House Bill 402, NC REINS Act, would require legislative review of any administrative rule with a "substantial economic impact" of one million dollars or an aggregate economic impact of at least 20 million dollars over

a five-year period. “REINS” stands for “Regulations from the Executive in Need of Scrutiny.”

It passed the General Assembly on June 18th but was vetoed by the Governor. The veto override vote is calendared in the House for July 29, 2025.

HB402 was virtually identical to Senate Bill 290 when introduced.

I am not concerned the Board would suggest or approve a rule that could reach the threshold, but this bill is worth watching.

- c. House Bill 763, Neighbor State License Recognition Act, passed the General Assembly and was signed by the Governor on July 3, 2025. It is now S.L. 2025-61. This bill will require all licensing boards, except 11 categories of licensees or individual licensees, of which alarm business licensees are not one, and the State Bar (attorneys), to recognize a license issued by a similar licensing agency in any state contiguous to North Carolina—plus West Virginia—if the licensee **establishes residency** in North Carolina, subject to certain conditions such as licensure greater than one year and good standing.

An additional condition is that the licensee “demonstrates competency in the profession through methods determined by the board.”

It is effective October 1, 2025.

- d. House Bill 926, Regulatory Reform Act of 2025, makes changes to numerous individual licensing boards statutes, as well as proposes a constitutional amendment regarding condemnation. Two provisions in this omnibus bill, if passed, could affect the Board.

The first would extend from 15 to 45 the number of days that must be given for notice of a contested case before the Office of Administrative Hearings.

The second would require the Board to engage in informal negotiations with the applicant, registrant or licensee prior to denying, suspending or revoking a registration or license, and prior to a contested case hearing. (This last provision would not be an issue since the Board already has such a procedure.)

Passed the House on June 24, 2025, and was referred to the Senate Committee on Rules.

- e. Senate Bill 451, Occupational Professional Licensing Relief, would require 26 enumerated boards to cut their required continuing education hours in half (i.e. “by fifty percent (50%)”) or double the amount of time the licensee has to comply (i.e. if 12 months, then 24).

For seven enumerated boards whose requirements are set forth in their administrative rules, the board is required to amend its administrative rule(s). For 16 other boards — including the Alarm Systems Licensing Board—the bill actually amends the board’s statute (here, G.S. 74D-4(e1); *see*, Attachment 4) and instructs the board to adopt rules to implement the change. In the case of the Board, it would mean amending (or re-writing) 14B NCAC 17. 0502.

Referred to the Senate Committee on Regulatory Reform April 7, 2025 and debated, in committee without a vote, on April 16th. (Interestingly, the identical language of the bill briefly appeared in another bill, HB 763, above, by way of committee substitute but was subsequently removed.)

VI. FINAL AGENCY DECISIONS

None.

1.

**ASLB
MASTER HEARINGS LIST
as of July 8, 2025**

OAH HEARING DATE	PETITIONER	TYPE OF APPLICATION	FAD HEARING DATE
November 28, 2017	Daniel Carl Hagerty / Guardian Eagle Security, LLC d/b/a AVSX Technologies 17 DOJ 06331	Letter of Reprimand (business license)	FAD served April 12, 2018. Petition for Judicial Review filed in Wake County Superior Court May 25, 2018.
August 27, 2024	Jake Carlton Engle 24 DOJ 02938	Denial of Alarm Systems Business License	FAD served December 16, 2024; Petition for Judicial Review filed in Watauga County Superior Court January 3, 2025; Petition denied April 10, 2025; (2 nd !) Petition filed April 7, 2025 and "Motion to Accept Late-Filed Petition filed April 9, 2025.

2.

1 14B NCAC 17 .0109 is proposed for adoption as follows:

2
3 **14B NCAC 17 .0109 DECLARATORY RULING PROCEDURES**

4 (a) All requests for declaratory rulings shall be in writing and mailed to the Board at the Board's address.

5 (b) Each request for a declaratory ruling shall include the following information:

- 6 (1) the name and address of person requesting the ruling;
7 (2) the statute or rule to which the request relates;
8 (3) a concise statement of the manner in which the requesting person is aggrieved by the rule or statute
9 or its potential application to him or her;
10 (4) names and addresses of additional third persons known to the person aggrieved who may possibly
11 be affected by the requested ruling;
12 (5) a statement of all material facts;
13 (6) a statement whether or not the person aggrieved is aware of any pending Board action or court action
14 that may bear on the applicability of the statute or rule to the person's particular situation; and
15 (7) a statement of the arguments and legal authority supporting the person's position on the applicability
16 of this statute or rule; and

17 The petitioner shall sign and verify the request before an officer qualified to administer oaths that the information
18 supplied in the request is true and accurate.

19 (c) Upon receipt of a request for a declaratory ruling, the Board shall determine whether a ruling is appropriate under
20 the facts stated.

21 (d) The Board shall proceed to issue a declaratory ruling when the person requesting the rule shows that, with regard
22 to the facts presented:

- 23 (1) the rule or statute in question is unclear on its face;
24 (2) circumstances are so changed since the adoption of a rule that a declaratory ruling is warranted;
25 (3) the factors specified in the request were not given appropriate consideration by the Board at the time
26 the rule was adopted;
27 (4) the rule or statute is unclear in its application to the requesting person's facts; or
28 (5) a fair question exists regarding the validity of the rule because of an absence of authority for the
29 Board's adoption of the rule or other irregularities in the Board's rule-making proceedings.

30 (e) The Board shall not issue a declaratory ruling when the petitioner or his or her request is the subject of, or
31 materially related to, an investigation by the Board or contested case before the Board.

32 (f) When the Board determines for good cause that the issuance of a declaratory ruling is unnecessary, the Board shall
33 notify, in writing, the person requesting the ruling, stating the reasons for the denial of the request. The Board will
34 ordinarily decline to issue a declaratory ruling when:

- 35 (1) there has been a similar controlling factual determination made by the Board;
36 (2) the rule-making record shows that the factual issues raised by the request were specifically
37 considered prior to adoption of the rule;

1 (3) the subject matter of the request is involved in pending litigation in any state or federal court in
2 North Carolina;

3 (4) the request does not comply with the procedural guidelines within Paragraphs (a) and (b) of this
4 Rule;

5 (5) the Board has previously issued a declaratory ruling on substantially similar facts;

6 (6) the Board has previously issued a final agency decision in a contested case on substantially similar
7 facts;

8 (7) the facts underlying the request for a declaratory ruling were considered at the time of the adoption
9 of the rule in question;

10 (8) the subject matter is one concerning which the Board is without authority to make a decision binding
11 the Board or the petitioner;

12 (9) the petitioner is not aggrieved by the rule or statute in question or otherwise has no interest in the
13 subject matter of the request;

14 (10) there is reason to believe that the petitioner or some other person or entity materially connected to
15 the subject matter of the request is acting in violation of the G.S. Chapter 74C or the rules adopted
16 by the Board; or

17 (13) the subject matter of the request is involved in pending litigation, legislation, or rulemaking.

18 (g) Prior to issuing a declaratory ruling, the Board may give notice of the declaratory proceedings to any persons it
19 deems appropriate and may direct that fact-finding proceedings appropriate to the circumstances of the particular
20 request be conducted by the Board. The proceedings may consist of written submissions, an oral hearing, or other
21 appropriate procedures.

22 (h) If the Board finds evidence that the factors listed in Subdivisions (d)(1), (2), or (3) of this Rule exist or potentially
23 exist beyond the specific facts presented in a particular petition for declaratory ruling, the Board shall consider rule-
24 making proceedings on the rule.

25 (i) A record of each declaratory ruling and the procedures conducted therefor will be maintained by the Board. The
26 record will contain:

27 (1) the request for a declaratory ruling;

28 (2) all written submissions filed in the request, whether filed by the person requesting the ruling or by
29 any other person;

30 (3) a record or summary of oral presentations, if any; and

31 (4) a copy of the declaratory ruling.

33 History Note: Authority G.S. 150B-4;

34 Eff. _____;

3.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

SESSION LAW 2025-51
SENATE BILL 710

AN ACT TO MODERNIZE THE ALARMS SYSTEMS LICENSING ACT, MAKE VARIOUS CHANGES TO THE PRIVATE PROTECTIVE SERVICES BOARD LAWS, STRENGTHEN THE OVERSIGHT AUTHORITY OF THE ABC COMMISSION, MODIFY THE LAW REGARDING NOTICE OF CERTAIN VIOLATIONS TO ABC PERMIT HOLDERS, ALLOW REVIEW OF LAW ENFORCEMENT OFFICERS' PERSONNEL RECORDS WHEN TRANSFERRING AGENCIES, REINSTATE G.S. 102-1.1, AND TO MODIFY PROVISIONS REGARDING SUMMARY COURTS-MARTIAL AND THE APPOINTMENT AND SERVICE OF MILITARY JUDGES OF THE NORTH CAROLINA NATIONAL GUARD.

The General Assembly of North Carolina enacts:

PART I. ALARMS SYSTEMS LICENSING ACT MODERNIZATION

SECTION 1.(a) Chapter 74D of the General Statutes reads as rewritten:

"Chapter 74D.

"Alarm Security Systems.

"Article 1.

"Alarm Security Systems Licensing Act.

"§ 74D-1. Title.

This act may be cited as the "~~Alarm~~-Security Systems Licensing Act."

"§ 74D-2. License-Business and qualifying agent license requirements.

(a) License Required. – No person, firm, association, corporation, or department or division of a firm, association or corporation, shall engage in or hold itself out as engaging in an ~~alarm-a security~~ systems business without first being licensed in accordance with this Chapter. A department or division of a firm, association, or corporation may be separately licensed under this Chapter if the distinct department or division, as opposed to the firm, association, or corporation as a whole, engages in an ~~alarm-a security~~ systems business. The department or division shall ensure strict confidentiality of private security information, and the private security information of the department or division must, at a minimum, be physically separated from other premises of the firm, association, or corporation. For purposes of this Chapter an "~~alarm-a~~ security systems business" is defined as any person, firm, association or corporation that does any of the following:

- (1) ~~Sells~~ Unless otherwise exempt, sells or attempts to sell an alarm-a security system device by engaging in a-any personal solicitation at a residence or business to advise, design, or consult on specific types and specific locations of alarm-security system devices.
- (2) ~~Installs~~ Unless otherwise exempt, installs, services, monitors, or responds to electrical, wireless or hardwired electronic or mechanical alarm signal devices, devices and security systems, integrated automation of a residence or business that includes a security element, burglar alarms, monitored access control, or cameras-cameras, analytic capturing devices, systems providing intelligence or other imaging devices used to detect or observe burglary,



breaking or entering, intrusion, shoplifting, pilferage, theft, or other unauthorized or illegal activity. ~~This provision shall not apply to a locking device that records entry and exit data and does not transmit the data in real time to an on-site or off-site monitoring location, provided the installer is duly licensed by the North Carolina Locksmith Licensing Board.~~

...

(c) ~~Qualifying Agent.~~ – A business entity that ~~engages in the alarm systems business~~ is required to be licensed under this Chapter is subject to all of the requirements listed in this subsection with respect to a qualifying agent. For purposes of this Chapter, a "qualifying agent" is an individual who is a full-time employee in a management position who is licensed under this Chapter and whose name and address have been registered with the Board. The requirements are:

- (1) The business entity shall employ a designated qualifying agent who meets the requirements for a license issued under and who is, in fact, licensed under the provisions of this Chapter, unless otherwise approved by the Board. Service upon the qualifying agent appointed by the business entity of any process, notice or demand required by or permitted by law to be served upon the business entity by the ~~Alarm Security Systems~~ Licensing Board shall be binding upon the licensed business entity. Nothing herein contained shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon a business entity in any other manner or hereafter permitted by law.

- ...
- (3) In the event that the qualifying agent upon whom the business entity relies in order to do business ceases to perform his duties as qualifying agent, the business entity shall notify the board in writing by letter or using the Board's online form within 10 working days. The business entity must obtain a substitute qualifying agent within 90 days after the original qualifying agent ceases to serve as qualifying agent. The Director, in his or her discretion, may extend the 90-day period for good cause by an additional 30 days upon a written request of an officer of the company.
 - (4) The license certificate shall list the name of the qualifying agent. No licensee person shall serve as the qualifying agent for more than one business entity without the prior approval of the Board.

- ...
- (6) The qualifying agent shall be responsible for maintaining a current address and other contact information with the Board.

(d) ~~Criminal Record Check.~~ Minimum Qualifications for Security Systems License. – An applicant ~~must for qualifying agent~~ shall meet all of the following requirements and qualifications determined by a background investigation conducted by the Board in accordance with G.S. 74D-2.1 and upon receipt of an application: qualifications:

- (1) The applicant is at least 18 years of age.
- (2) The applicant is of good moral character and temperate habits. The following shall be prima facie evidence that the applicant does not have good moral character or temperate habits: conviction by any local, State, federal, or military court of any crime involving the illegal use, carrying, or possession of a firearm; conviction of any crime involving the illegal use, possession, sale, manufacture, distribution or transportation of a controlled substance, drug, narcotic, or alcoholic beverages; conviction of a crime involving felonious assault or an act of violence; conviction of a crime involving unlawful breaking or entering, burglary, larceny, or of any offense involving moral turpitude; or a history of addiction to alcohol or a narcotic drug;

provided that, for purposes of this subsection, "conviction" means and includes the entry of a plea of guilty, plea of no contest, or a verdict rendered in open court by a judge or jury-jury, including a prayer for judgment continued, adjudication withheld, or equivalent.

- (3) The applicant has the necessary training, qualifications and experience to be licensed-licensed, or the applicant has successfully completed or kept current a Certified Alarm Technician Level I course offered by the Electronic Security Association or equivalent course approved by the Board.

(e) Examination.— ~~The Board may require the applicant to demonstrate the applicant's qualifications by examination.~~

...

(g) An alarm monitoring company located in another state and licensed by that state which demonstrates to the Board's satisfaction that it does not conduct any business through a personal representative present in this State, but which solicits and conducts business solely through interstate communication facilities, such as telephone, the internet, and the United States Postal Service, upon receipt by the Board of a certificate of good standing from the state of licensure is not required to register employees pursuant to G.S. 74D-8. Out-of-state monitoring companies not licensed in any state must be licensed by the Board and must register employees pursuant to G.S. 74D-8.

(h) A security guard and patrol company licensed under Chapter 74C of the General Statutes that remotely monitors access control, cameras, analytic capturing devices, systems providing intelligence, or other imaging devices shall obtain a separate limited monitoring license and may utilize the same qualifying agent for the limited license as utilized for its security guard and patrol license and shall not be required to meet the requirements of G.S. 74D-2(c)(4) and (d)(3) or hold a low voltage electrical license. The qualifying agent must successfully complete a central station monitoring operator course approved by the Board.

"§ 74D-2.1. Criminal background checks.

(a) Authorization. — Upon receipt of an application for a license or registration, the Board shall conduct a background investigation to determine whether the applicant meets the requirements for a license or registration as set out in G.S. 74D-2(d). ~~The Department-State Bureau of Public Safety-Investigation may provide a criminal record check to the Board for a person who has applied for a new or renewal license or registration through the Board. The Board shall provide to the Department of Public Safety, State Bureau of Investigation, along with the request, the fingerprints of a new applicant, and the Department of Public Safety-State Bureau of Investigation shall provide a criminal record check based upon the applicant's fingerprints. The Board may request a criminal record check from the Department of Public Safety-State Bureau of Investigation for a renewal applicant based upon the applicant's fingerprints in accordance with policy adopted by the Board. The Board shall provide any additional information required by the Department of Public Safety-State Bureau of Investigation and a form signed by the applicant consenting to the check of the criminal record and to the use of the fingerprints and other identifying information required by the State or national repositories. The applicant's fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's criminal history record file, and the State Bureau of Investigation shall forward a set of the fingerprints to the Federal Bureau of Investigation for a national criminal history check. The Department of Public Safety-State Bureau of Investigation may charge each applicant a fee to be collected by the Board and transmitted to the State Bureau of Investigation for conducting the checks of criminal history records authorized by this subsection.~~

The Board may require a new or renewal applicant to obtain a criminal record report from one or more reporting services designated by the Board to provide criminal record reports. Applicants are required to pay the designated reporting service for the cost of these reports.

(b) Confidentiality. – ~~The Except as necessary to support the denial of an application or a disciplinary matter in a contested case, the~~ Board shall keep all information obtained pursuant to this section confidential in accordance with applicable State law and federal guidelines, and the information shall not be a public record under Chapter 132 of the General Statutes.

"§ 74D-3. Exemptions.

The provisions of this Chapter shall not apply ~~to~~ to the following:

- (1) A person, firm, association or corporation that sells or manufactures ~~alarm security systems~~, unless the person, firm, association or corporation makes personal solicitations at a residence or business to advise, design, or consult on specific types and specific locations of ~~alarm security system devices~~, installs, services, monitors, or responds to ~~alarm security systems~~ at or from a protected premises or a premises to be protected and thereby obtains knowledge of specific application or location of the ~~alarm security system~~. ~~A person licensed under this Chapter may hire a consultant to troubleshoot a location or installation for a period of time not to exceed 48 hours in a one month period if the licensee submits a report to the Board within 30 days from the date of the consultation designating the consultant as a temporary consultant;~~
- (2) Installation, servicing or responding to fire alarm systems or any alarm device which is installed in a motor vehicle, aircraft or ~~boat~~; boat.
- (3) Installation or service of an alarm electronic security system on property owned by or leased to the installer; ~~installer.~~
- (4) ~~An alarm monitoring company located in another state which demonstrates to the Board's satisfaction that it does not conduct any business through a personal representative present in this State but which solicits and conducts business solely through interstate communication facilities such as telephone messages, earth satellite relay stations and the United States postal service; and~~
- (5) ~~A person or business providing alarm systems services to a State agency or local government if that person or business has been providing those services to the State agency or local government for more than five years prior to the effective date of this Chapter, and the State agency or local government joins with the person or business in requesting the application of this exemption.~~
- (6) Installation or service of a locking device that records entry and exit data and does not transmit the data in real time to an on-site or off-site monitoring location, provided the installer is licensed by the North Carolina Locksmith Licensing Board.
- (7) An entity through which a customer accesses marketing or advertising material or installation instructions for a security system.

(b) A person licensed under this Chapter may utilize a consultant or manufacturer's representative to troubleshoot a location or installation if accompanied by the licensee and the licensee submits a report to the Board within 30 days from the date of the consultation designating the consultant as a temporary consultant.

"§ 74D-4. Alarm Security Systems Licensing Board.

- (a) ~~The Alarm Security Systems Licensing Board is hereby established.~~
- (b) The Board shall consist of seven members: the Secretary of Public Safety or his or her designee; two persons appointed by the Governor, one of whom shall be licensed under this Chapter and one of whom shall be a public member; two persons appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121, one of whom shall be licensed under this Chapter and one of whom shall be a public member; and two persons appointed by the General Assembly upon the recommendation

of the Speaker of the House of Representatives in accordance with G.S. 120-121, one of whom shall be licensed under this Chapter and one of whom shall be a public member.

(c) Each member shall be appointed for a term of three years and shall serve until a successor is installed. ~~No~~ With the exception of the Secretary or his or her designee, no member shall serve more than two complete three-year consecutive terms. ~~The term of each member, other than the Attorney General or his designee, who is serving on August 7, 1989, shall terminate on June 30, 1989. Of the appointments made by the General Assembly upon the recommendation of the President of the Senate to begin on July 1, 1989, one member shall be for a term of one year and one member shall be for a term of three years. Of the appointments made by the General Assembly upon the recommendation of the Speaker of the House of Representatives, one member shall be appointed for a term of two years and one member shall be appointed for a term of three years. Thereafter all terms shall be for three years.~~

...
(e) Board members who are also State officers or employees shall receive no per diem compensation for serving on the Board, and shall only receive the travel allowances set forth in G.S. 138-6. All other Board members shall receive reimbursement in accordance with G.S. 93B-5(b) and, notwithstanding G.S. 93B-5(a), shall receive as compensation for their services per diem not to exceed one hundred dollars (\$100.00) for each day during which they are engaged in the official business of the Board. The Board shall set the travel allowance and per diem compensation of Board members who are not also State officers or employees.

(f) The Board shall elect a ~~chairman-chair~~ and a ~~vice-chairman-vice-chair~~ from its membership by majority vote at the first meeting of its fiscal year. The ~~vice-chairman-vice-chair~~ shall serve as ~~chairman-chair~~ of the screening committee and shall also serve as ~~chairman-chair~~ in the ~~chairman's-chair's~~ absence. At no time shall both the positions of ~~chairman-chair~~ and ~~vice-chairman-vice-chair~~ be held by either an industry representative or a nonindustry representative.

(g) The Board shall meet at the call of the ~~chairman-chair~~ or a majority of the members of the Board. The Board shall adopt rules governing the call and conduct of its meetings. A majority of the current Board membership constitutes a quorum.

"§ 74D-5. Powers of the Board.

(a) In addition to the powers conferred upon the Board elsewhere in this Chapter, the Board shall have the power ~~to~~ to do the following:

- (1) Promulgate rules necessary to carry out and administer the provisions of this Chapter including the authority to require the submission of reports and information by licensees under this ~~Chapter;Chapter.~~
- (2) Determine minimum qualifications and establish minimum education, experience, and training standards for ~~applicants and licensees-applicants, licensees, and registrants~~ under this ~~Chapter;Chapter.~~
- (3) Conduct investigations regarding alleged violations and make evaluations as may be necessary to determine if unlicensed individuals or entities are in violation of this Chapter and licensees and registrants under this Chapter are complying with the provisions of this Chapter;Chapter. The Board shall issue cease and desist orders, in writing, for violations of this Chapter with the concurrence of the Secretary of Public Safety.
- (4) Adopt and amend bylaws, consistent with law, for its internal management and ~~control;control.~~
- (5) Investigate and approve individual applicants to be licensed or registered according to this Chapter;Chapter.
- (6) Deny, suspend, or revoke any license issued or to be issued under this Chapter to any ~~applicant or licensee-applicant, licensee, or registrant~~ who fails to satisfy the requirements of this Chapter or the rules established by the Board.

The denial, suspension, or revocation of such license or registration shall be in accordance with Chapter 150B of this General Statutes of North ~~Carolina;~~Carolina.

- (7) Issue subpoenas to compel the attendance of witnesses and the production of pertinent books, accounts, records, and documents. The district court shall have the power to impose punishment pursuant to G.S. 5A-21 et seq. for acts occurring in matters pending before the Board which would constitute civil contempt if the acts occurred in an action pending in ~~court;~~ and court.
- (8) Contract for services as necessary to carry out the functions of the Board.
- (9) Acquire, hold, rent, encumber, alienate, and otherwise deal with real property in the same manner as a private person or corporation, subject only to approval of the Governor and the Council of State. Collateral pledged by the Board for an encumbrance is limited to the assets, income, and revenues of the Board.

(b) The ~~chairman~~ chair of the Board or his or her representative designated to be a hearing officer may conduct any hearing called by the ~~board~~ Board for the purpose of denial, suspension, or revocation of a license or registration under this Chapter.

(c) The regulation of security system businesses shall be exclusive to the Board; however, any city or county shall be permitted to require a security business operating within its jurisdiction to register and to supply information regarding its license and may adopt an ordinance to require users of electronic security systems to obtain revocable permits when alarm usage involves automatic signal transmission to a law enforcement agency.

"§ 74D-5.1. Position of Director created.

The position of Director of the ~~Alarm-Security~~ Systems Licensing Board is hereby created within the Department of Public Safety. The Secretary of Public Safety shall appoint a person to fill this full-time position. The Director's duties shall be to administer the directives contained in this Chapter and the rules ~~promulgated~~ adopted by the Board to implement this Chapter and to carry out the administrative duties incident to the functioning of the Board in order to actively police the ~~alarm systems-security~~ security systems industry to ~~insure~~ ensure compliance with the law in all aspects. The Director may issue a temporary grant or denial of a request for registration subject to final action by the Board at its next regularly scheduled meeting.

"§ 74D-5.2. Investigative powers of the Secretary of Public Safety.

The Secretary of Public Safety shall have the power to investigate or cause to be investigated any complaints, allegations, or suspicions of wrongdoing or violations of this Chapter involving individuals unlicensed, licensed, or to be licensed, under this Chapter. Any investigation conducted pursuant to this section is deemed confidential and is not subject to review under G.S. 132-1 until the investigation is complete and a report is presented to the Board. However, the report may be released to the licensee after the investigation is complete but before the report is presented to the Board.

"§ 74D-6. Denial of a license or registration.

Upon a ~~finding that the applicant meets the requirements for licensure or receipt of an application for licensure or registration~~ under this Chapter, the Board shall determine whether the applicant shall receive the license or registration applied for. The grounds for denial ~~include:~~ include all of the following:

- (1) Commission of some act which, if committed by a registrant or licensee, would be grounds for the suspension or revocation of a registration or license under this ~~Chapter;~~ Chapter.
- (2) Conviction of a crime involving fraud; the illegal use, carrying, or possession of a firearm, felonious assault or an act of violence, felonious sexual offense, felonious larceny, or felonious fraud. For purposes of this subdivision, "conviction" means and includes the entry of a plea of guilty, plea of no

contest, or a verdict entered in open court by a judge or jury, including a prayer for judgment continued, adjudication withheld, or equivalent.

- (3) Lack of good moral character or temperate habits. The following misdemeanor convictions shall be prima facie evidence that the applicant does not have good moral character or temperate habits: conviction by any local, State, federal, or military court of any crime involving the illegal use, carrying, or possession of a firearm; conviction of any crime involving the illegal use, possession, sale, manufacture, distribution, or transportation of a controlled substance, drug, narcotic, or alcoholic beverages; conviction of a crime involving ~~felonious~~ assault or an act of violence; conviction of a crime involving unlawful breaking or entering, burglary or ~~larceny or of any offense involving moral turpitude~~; larceny; conviction of a crime involving a sexual offense; or a history of addiction to alcohol or a narcotic drug; provided that, for purposes of this ~~subsection~~ subdivision, "conviction" means and includes the entry of a plea of guilty, plea of no contest, or a verdict rendered in open court by a judge or jury; including a prayer for judgment continued, adjudication withheld, or equivalent.
- (4) Previous denial under this Chapter or previous revocation for ~~cause~~; cause.
- (5) Knowingly making any false statement or misrepresentation in an application made to the Board for a license or registration.
- (6) Being a registered sex offender in this State or any other state.

"§ 74D-7. Form of license; term; assignability; renewal; posting; branch offices; fees.

...

(c) No licensee shall engage in any business regulated by this Chapter under a name other than the ~~licensee~~ licensee's name or names which appear on the certificate issued by the Board.

(d) Any branch office ~~of an alarm in this State with a security~~ systems business shall obtain a branch office certificate. A separate certificate stating the location and licensed qualifying agent shall be posted at all times in a conspicuous place in each branch office. Every business covered under the provisions of this Chapter shall file in writing with the Board the addresses of each of its branch ~~offices~~ offices in this State. All licensees ~~of with~~ a branch office shall notify the Board in writing before the establishment, closing, or changing of the location of any branch office. ~~A licensed qualifying agent may be responsible for more than one branch office of an alarm systems business with the prior approval of the Board.~~ office in this State. Temporary approval may be granted by the Director, upon application of the qualifying agent, for a period of time not to exceed ~~10 working~~ 45 days after the adjournment of the next regularly scheduled meeting of the Board unless the Board determines that the application should be denied.

...

"§ 74D-8. Registration of persons employed.

- (a) (1) A licensee of ~~an alarm~~ a security systems business shall register with the Board within 30 days after the employment begins, all of the ~~following licensee's employees described in subdivision (1a) of this subsection~~ that are within the State, unless in the discretion of the Director, the time period is extended for good ~~cause~~; cause.
- (1a) The following employees shall be registered with the Board:
 - a. Any employee that has access to ~~confidential~~ any information detailing the design, installation, or application of any ~~location specific~~ electronic security system or ~~that has access to any code, number, or program that would allow the system to be modified, altered, or circumvented.~~

- b. Any employee who conducts personal sales in a private residence or who installs or services an electronic security system in a commercial business establishment or a personal residence.
- c. Any employee who remotely monitors a security system, including cameras, unless the employee is registered as a security guard with a licensed security guard and patrol company under Chapter 74C of the General Statutes.

Employees engaged only in sales or marketing that does not involve any of the above are not required to be registered.

- (1a)(1b) To register an employee, a licensee shall submit to the Board as to the employee: set(s) of classifiable fingerprints on standard F.B.I. applicant cards; recent color photograph(s) of acceptable quality for identification; and statements of any criminal records as deemed appropriate by the Board.
- (2) Except during the period allowed for registration in subdivision (a)(1) of this section, no ~~alarm~~-security systems business may employ any employee required to be registered by this Chapter unless the employee's registration has been approved by the Board as set forth in this section.
- (3) A licensee may employ an applicant for registration as a probationary employee for 20 consecutive days. Upon completion of the probationary period and the desire of the licensee to hire the registration applicant as a regular employee, the licensee shall register the employee, as described in this subsection, with the Board within 30 days after the probationary employment period ends unless the Director, in the Director's discretion, extends the time period for good cause. Before a probationary employee engages in systems services, the employee shall complete any training requirements and the licensee shall conduct a criminal record check on the employee, as the Board deems appropriate. The licensee shall submit a list of the probationary employees to the Director on a monthly basis. The list shall include the name, address, social security number, and dates of employment of the employees.

...

"§ 74D-8.1. Apprenticeship registration permit.

(a) The Board may issue an apprenticeship registration permit to an applicant who is 16 or 17 years old ~~and currently enrolled in high school if the applicant holds a valid drivers license and submits at least three letters of recommendation stating that the applicant is of good moral character as provided in G.S. 74D-2(d)(2). The letters of recommendation shall be from persons who are not related to the individual, and at least one of the letters shall be from an official at the school where the applicant is currently enrolled applicant.~~

...

"§ 74D-9. Certificate of liability insurance required; form and approval; suspension for noncompliance.

...

(d) No license shall be issued under this act unless the applicant files with the Board evidence of a policy of liability insurance which policy must provide for the following minimum coverage: ~~fifty-two hundred fifty thousand dollars (\$50,000)-(\$250,000)~~ because of bodily injury or death of one person as a result of the negligent act or acts of the principal insured or his agents operating in the course and scope of his employment; subject to said limit for one person, ~~one five hundred thousand dollars (\$100,000)-(\$500,000)~~ because of bodily injury or death of two or more persons as the result of the negligent act or acts of the principal insured or his agent operating in the course and scope of his or her agency; ~~twenty-one hundred thousand dollars (\$20,000)-(\$100,000)~~ because of injury to or destruction of property of others as the result of the

negligent act or acts of the principal insured or his agents operating in the course and scope of his or her agency.

...
"§ 74D-10. Suspension or revocation of licenses and registrations; appeal.

(a) The Board may, after notice and an opportunity for hearing, suspend or revoke a license or registration issued under this Chapter if it is determined that the licensee or registrant has:

- ...
- (3) Violated any rule ~~promulgated~~ adopted by the Board pursuant to the authority contained in this Chapter.
 - (4) Been convicted of any ~~crime involving moral turpitude or any other crime involving violence or the illegal use, carrying, or possession of a dangerous weapon, felony as set forth in G.S. 74D-6(2) or any crime as set forth in G.S. 74D-6(3).~~
 - ...
 - (7) Engaged in or permitted any employee to engage in any ~~alarm-security~~ systems business when not lawfully in possession of a valid ~~license~~ registration issued under the provisions of this Chapter.
 - (8) Committed an unlawful breaking or entering, burglary, larceny, sexual offense, trespass, fraud, assault, battery, or kidnapping.
 - (9) Committed any other act which is a ground for the denial of an application for a license or registration under this Chapter.
 - (10) Failed to maintain the certificate of liability insurance required by this Chapter.
 - ...
 - (15) Engaged in the ~~alarm-security~~ systems profession under a name other than the name under which the license was obtained under the provisions of this Chapter.
 - ...
 - (19) Engaged in conduct that constitutes dereliction of duty or otherwise deceives, defrauds, or harms the public in the course of professional activities or ~~services-services, including fraudulently claiming a change in business ownership, fraudulently claiming dissolution of a competing business, fraudulently claiming to be a representative of the consumer's current service provider, misrepresentation of employer, or misrepresenting an upgrade of equipment as a sales tactic.~~
 - (20) Demonstrated a lack of financial responsibility.

...
"§ 74D-11. Enforcement.

...

(b) Any person, firm, association, corporation, or department or division of a firm, association or corporation, or their agents and employees violating any of the provisions of this Chapter or knowingly violating any rule promulgated to implement this Chapter shall be guilty of a Class 1 misdemeanor. The Attorney General, or his or her representative, shall have concurrent jurisdiction with the district attorneys of this State to prosecute violations of this Chapter.

(c) ~~The regulation of alarm systems businesses shall be exclusive to the Board; however, any city or county shall be permitted to require an alarm systems business operating within its jurisdiction to register and to supply information regarding its license, and may adopt an ordinance to require users of alarm systems to obtain revocable permits when alarm usage involves automatic signal transmission to a law enforcement agency.~~

(d) In lieu of revocation of suspension of a license or registration under G.S. 74D-10, a civil penalty of not more than two thousand dollars (\$2,000) per violation may be assessed by the Board against any person that violates any provision of this Chapter or any rule of the Board adopted pursuant to this Chapter. In determining the amount of any penalty, the Board shall consider the degree and extent of harm caused by the violation. The clear proceeds of all penalties collected under this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

(e) Proceedings for the assessment of civil penalties shall be governed by Chapter 150B of the General Statutes. If the person assessed a penalty fails to pay the penalty to the Board, the Board may institute an action in the superior court of the county in which the person resides or has his or her principal place of business to recover the unpaid amount of the penalty. An action to recover a civil penalty under this section shall not relieve any party from any other penalty prescribed by law.

(f) The sale, installation, or service of ~~an alarm-a security~~ system by an unlicensed or unregistered person shall constitute a threat to the public safety, and any contract for the sale, installation, or service of ~~an alarm-a security~~ system shall be deemed void and unenforceable.

...

~~"§ 74D-13. Transfer of funds.~~

~~All fees collected pursuant to Chapter 74C of the General Statutes from alarm systems businesses which have not been expended upon January 1, 1984, shall be transferred to the Board by the Private Protective Services Board for the purpose of defraying the expenses of administering this act.~~

~~"§ 74D-14. Proof of licensure to maintain or commence action.~~

~~An alarm-A security systems business may not maintain any action in any court of the State for the collection of compensation for performing an act for which a license or registration is required by this Chapter without alleging and proving that the alarm-security systems business is appropriately licensed and the employee or agent of the alarm-security systems business is appropriately registered upon entering into a contract with the consumer. An alarm-A security systems installation, maintenance, or monitoring contract entered into with a consumer shall be void if the consumer confirms through records maintained by the Board that the alarm-security systems business is not properly licensed or the consumer establishes through records maintained by the Board that the person enticing the consumer to enter into the contract is not properly registered by the Board. The sale, installation, or service of ~~an alarm-a security~~ system by an unlicensed entity or unregistered employee shall be deemed an unfair and deceptive trade practice and shall be actionable under Chapter 75 of the General Statutes.~~

...."

SECTION 1.(b) Article 2 of Chapter 74D of the General Statutes reads as rewritten:

"Article 2.

"Alarm-Security Systems Education Fund.

~~"§ 74D-30. Alarm-Security Systems Education Fund created; payment to Fund; management; use of funds.~~

(a) There is hereby created and established a special fund to be known as the "Alarm-Security Systems Education Fund" (hereinafter Fund) which shall be set aside and maintained in the office of the State Treasurer. The Fund shall be used in the manner provided in this Article for the education of licensees and registrants.

...

(c) In addition to the fees provided for elsewhere in this Chapter, the Board shall charge the following fees which shall be deposited into the Fund:

- (1) ~~On July 1, 1985, the Board shall charge every licensee on that date a fee of fifty dollars (\$50.00);~~

- (2) The Board shall charge each new applicant for a license ~~fifty dollars (\$50.00), provided that for purposes of this Article a new applicant is hereby defined as an applicant who did not possess a license on July 1, 1985; and~~ fifty dollars (\$50.00).
- (3) The Board is authorized to charge each licensee an additional amount, not to exceed fifty dollars (\$50.00), on July 1 of any year in which the balance of the Fund is less than twenty-five thousand dollars (\$25,000).
- (d) The State Treasurer shall invest and reinvest the moneys in the Fund in a manner provided by law. The Board in its discretion, may use the Fund for any of the following purposes:
 - (1) To advance education and research in the ~~alarm-security~~ systems field for the benefit of those licensed under the provisions of this Chapter and for the improvement of the ~~industry, industry.~~
 - (2) To underwrite educational seminars, training centers and other educational projects for the use and benefit generally of ~~licensees, and licensees.~~
 - (3) To sponsor, contract for and to underwrite any and all additional educational training and research projects of a similar nature having to do with the advancement of the ~~alarm-security~~ systems field in North Carolina."

SECTION 1.(c) The Security Systems Licensing Board may adopt rules to implement the provisions of this Part.

SECTION 1.(d) This Part becomes effective October 1, 2025.

PART II. PRIVATE PROTECTIVE SERVICES BOARD LAWS AMENDMENTS

SECTION 2.(a) G.S. 74C-2 reads as rewritten:

"§ 74C-2. Licenses required.

(a) No private person, firm, association, or corporation shall engage in, perform any services as, or in any way represent or hold itself out as engaging in a private protective services profession or activity in this State without having first complied with the provisions of this Chapter. Compliance with the licensing requirements of this Chapter shall not relieve any person, firm, association or corporation from compliance with any other licensing law.

(b) An individual in possession of a valid private protective services license or private detective trainee permit issued prior to October 1, 1989, shall not be subject to forfeiture of such license by virtue of this Chapter. Such license shall, however, remain subject to suspension, denial, or revocation in the same manner in which all other licenses issued pursuant to this Chapter are subject to suspension, denial, or revocation.

(c) In its discretion, the Private Protective Services Board may issue a trainee permit in lieu of a private ~~investigator~~ investigator, polygraph examiner, electronic countermeasures, or digital forensic examiner license provided that the applicant works under the direct supervision of a licensee."

SECTION 2.(b) G.S. 74C-3 reads as rewritten:

"§ 74C-3. Private protective services profession defined.

(a) As used in this Chapter, the term "private protective services profession" means and includes the following:

- ...
- (6) Security guard and patrol profession. – Any person, firm, association or corporation that provides a security guard on a contractual basis for another person, firm, association, ~~or corporation~~ corporation, or unit of government for a fee or other valuable consideration and performs one or more of the following functions:
 - a. Prevention or detection of intrusion, entry, larceny, vandalism, abuse, fire or trespass on private property.

1 **SECTION 2.4.(b)** Rulemaking. – The North Carolina Auctioneers Commissi
2 adopt to implement the provisions of this section.

3 **SECTION 2.5.(a)** North Carolina Real Estate Commission. – G.S. 93A-38
4 as rewritten:

5 **"§ 93A-38.5. Continuing education.**

6 (a) The Commission shall establish a program of continuing education for real estate
7 brokers. An individual licensed as a real estate broker is required to complete ~~eight hours of~~
8 ~~instruction a year during any license renewal period either (i) four hours of instruction a year~~
9 ~~during any license renewal period or (ii) eight hours of instruction over a two-year period in~~
10 subjects the Commission deems appropriate. The Commission shall determine which continuing
11 education option shall be implemented and shall notify licensees of the selected option no less
12 than 90 days before the start of the applicable continuing education cycle. Any licensee who fails
13 to complete continuing education requirements pursuant to this section shall not actively engage
14 in the business of real estate broker.

15 (b) The Commission may, as part of the broker continuing education requirements,
16 require real estate brokers-in-charge to complete during each annual license period a special
17 continuing education course consisting of not more than ~~four two~~ hours of instruction if the
18 Commission selects the annual continuing education option, or not more than four hours of
19 instruction over a two-year period if the Commission selects the biennial continuing education
20 option, in subjects prescribed by the Commission.

21 ...
22 (d) The Commission may adopt rules not inconsistent with this Chapter to implement the
23 continuing education requirement, including rules that govern:

- 24 ...
25 (6) The ability to carry forward course credit from one ~~year~~ continuing education
26 cycle to another.
27 (7) The deferral of continuing education for brokers not engaged in brokerage.
28 (8) The waiver of or variance from the continuing education requirement for
29 hardship or other reasons.
30 (9) The procedures for compliance and sanctions for noncompliance.

31 "
32 **SECTION 2.5.(b)** Rulemaking. – The North Carolina Real Estate Commission shall
33 adopt rules to implement the provisions of this section.

34 **SECTION 2.6.(a)** North Carolina Alarm Systems Licensing Board. – G.S. 74D-5
35 reads as rewritten:

36 **"§ 74D-5. Powers of the Board.**

37 (a) In addition to the powers conferred upon the Board elsewhere in this Chapter, the
38 Board shall have the power to:

- 39 ...
40 (9) Determine which of the following continuing education requirement options
41 shall apply. The Board shall select one of the following options and notify
42 licensees and registrants of the selected continuing education option no less
43 than 90 days before the start of the applicable continuing education cycle.
44 Credit shall be given only for classes that have been preapproved by the
45 Board:

- 46 a. Biennial requirement option. – Each licensee shall complete at least
47 three credit hours of continuing education training during each
48 two-year renewal period, and each registrant shall complete at least
49 one and one-half credit hours of continuing education training during
50 each two-year renewal period.

b. Quadrennial requirement option. – Each licensee shall complete at least six credit hours of continuing education training during each four-year period (spanning two renewal cycles), and each registrant shall complete at least three credit hours of continuing education training during each four-year period (spanning two renewal cycles).

(b) The chairman of the Board or his representative designated to be a hearing officer may conduct any hearing called by the board for the purpose of denial, suspension, or revocation of a license or registration under this Chapter."

SECTION 2.6.(b) Rulemaking. – The North Carolina Alarm Systems Licensing Board shall adopt rules to implement the provisions of this section.

SECTION 2.7.(a) North Carolina Board of Barber and Electrolysis Examiners. – G.S. 86B-58 reads as rewritten:

"§ 86B-58. Continuing education.

(a) The Board shall determine the number of ~~hours~~ hours, subject to the requirements of subsection (d) of this section, and subject matter of continuing education required as a condition of license renewal. The Board may offer continuing education to the licensees under this act.

...
(d) ~~Laser hair practitioners are required to complete a minimum of 10 hours of continuing education annually to maintain their licenses pursuant to rules adopted by the Board. Continuing education requirements for licensees shall be as follows:~~

(1) An electrologist licensed in this State shall complete continuing education units in the amount determined by the Board pursuant to subsection (e) of this section, which shall be either five continuing education units annually or 10 continuing education units biennially, as a requirement for renewal of the electrology license.

(2) A laser hair practitioner licensed in this State shall complete continuing education units in the amount determined by the Board pursuant to subsection (e) of this section, which shall be either five continuing education units annually or 10 continuing education units biennially, as a requirement for renewal of the laser hair practitioner license.

(e) The Board shall determine whether continuing education requirements shall be completed on an annual basis at five continuing education units per year or on a biennial basis at 10 continuing education units per two-year period. The Board shall notify licensees of the selected continuing education cycle no less than 90 days before the start of the applicable continuing education cycle. All references in this section to alternative continuing education requirements shall be interpreted in accordance with the continuing education cycle established by the Board pursuant to this subsection.

(f) Notwithstanding any other subsection of this section, the Board may establish, through rule, reduced continuing education requirements for licensees with substantial practice experience."

SECTION 2.7.(b) Rulemaking. – The North Carolina Board of Barber and Electrolysis Examiners shall adopt rules to implement the provisions of this section.

SECTION 2.8.(a) North Carolina Board of Cosmetic Art Examiners. – G.S. 88B-21 reads as rewritten:

"§ 88B-21. Renewals; expired licenses; inactive status.

...
(d1) The Board shall determine which of the following continuing education requirement options shall apply and shall notify licensees of the selected option no less than 90 days before the start of the applicable continuing education cycle:

(1) Option 1. – Fewer hours requirement.

(2) Option 2. – Extended timeframe requirement.