



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: May 1, 2025
Time: 5:15 p.m.
Location: Marriott Winston-Salem Benton Convention Center
425 N Cherry St.
Winston-Salem, NC 27101

Board Members Present

Caroline Brown
Mack Donaldson
Tom Vermillion
Tommy Whisnant
R. Wike Graham
Jamie Brown

Board Members Absent

Mary Wood

Board Staff Present

Director Paul Sherwin
Deputy Director Ray Bullard
Attorney Jeff Gray
Field Services Supervisor Kim Odom
ASLB Secretary Syconda Marrow

Visitors (17 in person)

Jason Lindquist	Kirk Saunders
Darwin Smith	Ronald Helsley
Duncan Hubbard	Charlie Vann Ellis
Mia Bailey	John Wesley Ellis
Roy Pollack	Annette Bowles
Cathy Lamberth	Matthew Runyans
Jamie Byrd	Bobby Wishon
Warren McLaurin	

Call to Order

The May 1, 2025, meeting of the North Carolina Alarm Systems Licensing Board was called to order by Chair Caroline Brown at 5:39 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

Chair Brown welcomed all guests.

Final Agency Decision(s)

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

Approval of the March 2025 Meeting Minutes

Motion: Jamie Brown motioned to approve the March 2025 Board meeting minutes. Wike Graham seconded. The motion carried unanimously.

Committee Reports

Grievance Committee: Grievance Committee members Mack Donaldson and Tommy Whisnant met on May 1, 2025, from 3:00 p.m. to 3:50 p.m. and heard five cases. Committee Chair Mack Donaldson presented the Grievance Committee report.

Motion: Mr. Whisnant motioned to accept the Grievance Committee report. Mr. Graham seconded. The motion carried unanimously.

See the attachment for the full Grievance Committee report.

Screening Committee: Screening Committee members Caroline Brown, R. Wike Graham, Tommy Whisnant, Tom Vermillion, Jamie Brown and Mack Donaldson met on May 1, 2025, from 4:02 p.m. to 5:31 p.m. to review 12 license applications, one registration denial appeal, one request to serve as the qualifying agent for more than one company, and one request to reinstate a license. Committee Chair R. Wike Graham presented the Screening Committee report.

Motion: Mr. Whisnant motioned to accept the Screening Committee report. Mr. Brown seconded. The motion carried unanimously.

See the attachment for the full Screening Committee report.

Training and Education Committee: Mr. Vermillion presented the Training and Education Committee report. The Committee reviewed three applications for new continuing education courses and three applications for the renewal of continuing education courses. The Committee recommended approving all courses except Course #3 from the ESA National Training School, “Critical Thinking.”

Motion: Mr. Whisnant motioned to approve the Training and Education Committee report. Mr. Brown seconded. The motion carried unanimously.

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

Old Business

Director Sherwin presented to the Board the detailed agenda for the 2025 N.C. Security and Low Voltage Association (NCSLVA) Convention, which the Board had requested during its March 2025 meeting, as it considered the Association’s training and education grant application.

Motion: Mr. Graham motioned to award a \$10,000 grant to the NCSLVA. Mr. Vermillion seconded. The motion carried unanimously.

The Board also discussed whether to approve the NCSLVA Convention for continuing education

Motion: Mr. Whisnant motioned to approve for continuing education all courses offered during the NCSLVA’s Convention. Mr. Vermillion seconded. The motion carried unanimously.

New Business

Mr. Graham suggested the Board adopt a recommended dress code for guests attending committee meetings and Board meetings. He said establishing reasonable standards for appearance will support an environment where all meeting participants feel comfortable and respected, thereby supporting orderly and productive meetings. Mr. Graham asked Director Sherwin to draft a policy and bring it to a future Board meeting for review.

Director’s Report

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

Motion: Mr. Graham motioned to accept the Director’s Report. Mr. Brown 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.

Motion: Mr. Whisnant motioned to accept the Attorney's Report. Mr. Graham seconded. The motion carried unanimously.

See the attachment for the full Attorney's Report.

Good of the Order and Public Comment

Duncan Hubbard, president of the NCSLVA, thanked the Board for its partnership with the Association.

Adjourn

Motion: Mr. Brown motioned to adjourn the meeting. Mr. Donaldson seconded. The motion carried unanimously.

Meeting adjourned at 6:15 p.m.

Paul Sherwin, Director

Syconda Marrow, Board Secretary

ASLB Grievance After Report for May 1, 2025 9:00 am

Case Number	Complaint Against	Allegation(s)	Grievance Committee Recommendation	Board Action
1. 2025-ASLB-001	Brian Anyogu Reconview 4325 E. WT Harris Blvd #42783 Charlotte, NC 28215	NCGS 74D	Find a violation of NCGS 74D-2. Continue the cease and desist order previously issued to Brian Anyogu and Reconview. Refer this matter to the Screening Committee should Mr. Anyogu apply for a license or registration.	Accepted
2. 2025-ASLB-002	Robert Michael Willis Griffiths, Inc. PO Box 3424 Hickory, NC 286030000	14B NCAC 17.0206(b)	No violation.	Accepted
3. 2025-ASLB-004	Kelly Coggin Security INC. 807 Coggin Ct. Myrtle Beach, SC 29579	14B NCAC 17.0206(b)	Find violation of NCGS 74C-8. Kelly Coggin and Coggin Security Inc. enter into and pay a consent agreement in the amount of \$5,304.00 for 26 registration violations.	Accepted

Case Number	Complaint Against	Allegation(s)	Grievance Committee Recommendation	Board Action
4. 2025-ASLB-008	David Redeker Creative System AV Installs 822 Gallimore Dairy Road High Point, NC 27265	NCGS 74D-2	Find a violation of NCGS 74D-2. Continue the cease and desist order previously issued to David Redeker and Creative System AV Installs. Refer this matter to the Screening Committee should Mr. Redeker apply for a license or registration.	Accepted
5. 2025-ASLB-009	Christopher Bates Bates Electric, Inc. 2006 Sierra Parkway Arnold, MO 63010	NCGS 74D-2	Find a violation of NCGS 74D-2. Continue the cease and desist order previously issued to Christopher Bates and Bates Electric, Inc. Refer this matter to the Screening Committee should Mr. Bates apply for a license or registration.	Accepted

Board Meeting Report

Board Date 05/01/2025

	Name Company Address	License	Committee Recommendation	Board Action
1.	Heather Church Berrier RiverStreet Communications of North Carolina, Inc. 1400 River Street Wilkesboro, NC 28697- 2108	New Branch Office	Approve	Accepted
2.	Anthony Logan Biggs Blackhawk Technologies LLC 214 Starnes Cove Road candler , NC 28715	Alarm	Approve	Accepted
3.	Brian Robert Lee Brewster MSS Fire & Security LLC 11524 Wilmar Blvd Charlotte, NC 28273	Alarm	Approve	Accepted
4.	Corey Delemar Jarrett Security Systems LLC 6188 Lakeway Dr Fayetteville, NC 28306	Alarm	Approve with Condition Corey Delemar and Jarrett Security Systems LLC enter into and pay a consent agreement of \$3,060.00 for 36 months of unlicensed activity.	Accepted
5.	Matthew David Everhart All Access Services, LLC 280 Frontier Drive Lexington, NC 27292	Alarm	Approve	Accepted
6.	Joseph Patrick Fisher Linx LLC 7585 NC Hwy 73 suite 103 denver, NC 28037	Alarm	Approve with Condition Joseph Fisher and Linx LLC enter into and pay a consent agreement of \$1,343.00 for 11 months of unlicensed activity and two registration violations; and receipt of of favorable fingerprint-based criminal history record check.	Accepted

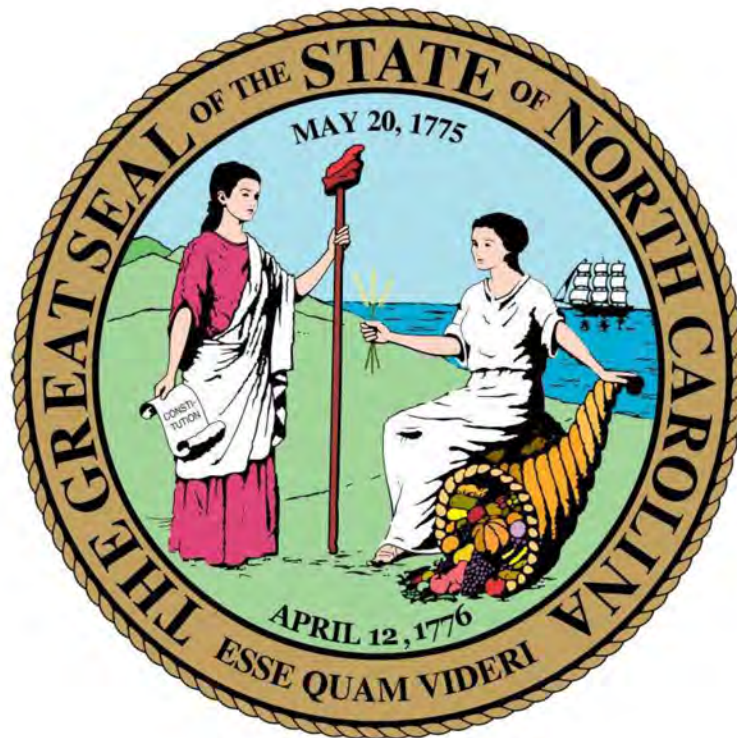
	Name Company Address	License	Committee Recommendation	Board Action
7.	Austin Allen Fleming Summit Property Innovations 355 Peachtree Mountain Estates Rd Murphy, NC 28906	Alarm	Deny Unfavorable employment history.	Accepted
8.	William Michael Hubbard Star Life Safety 2 1000 N. Main St. Fuquay-Varina, NC 27526	Alarm	Approve	Accepted
9.	William David Jobe Premiere Communications & Consulting, Inc. 5019 WWT Harris Blvd Charlotte, NC 28269	New Branch Office	Approve	Accepted
10.	Wayne Joseph Munsch Jr. Music Street Electric 724 Salisbury Ridge Rd. Winston Salem, NC 27127	Alarm	Approve	Accepted
11.	Timothy Roger Smith Hometown Security & Electric, Inc. PO Box 10247 Goldsboro, NC 27532	Alarm	Approve	Accepted
12.	Ricky Anthony Youngbar Mobile Communications America 2732 Interstate St Charlotte, NC 28208	New Branch Office	Approve	Accepted

[illegible]

NORTH CAROLINA ALARM SYSTEMS LICENSING BOARD

May 1, 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

Operations

Registration Unit

- Registration applications received YTD 2025: 1,144
 - Same period 2024: 1,131
 - Same period 2023: 1,250
 - Same period 2022: 1,077
 - Same period 2021: 1,292
 - Same period 2020: 1,191
 - Same period 2019: 1,286

Licensing Unit

- License applications received YTD 2025: 106
 - Same period 2024: 87
 - Same period 2023: 115
 - Same period 2022: 90
 - Same period 2021: 121
 - Same period 2020: 101
 - Same period 2019: 146

Investigations Unit

- New license applicant background investigations YTD 2025: 29
 - Same period 2024: 23
 - Same period 2023: 25
 - Same period 2022: 25
 - Same period 2021: 24
 - Same period 2020: 42
 - Same period 2019: 44
- Complaint investigations completed YTD 2025: 19
 - Same period 2024: 9
 - Same period 2023: 15
 - Same period 2022: 11
 - Same period 2021: 13
 - Same period 2020: 4
 - Same period 2019: 11

OTHER

AAA Security, under the supervision of qualifying agent Charles Smith (950-CSA), was recently selected for a random compliance audit for Q1 2024. Investigator Batton reviewed the registration records of six employees and no violations were found.

REGISTRATION AND LICENSING SUMMARY

Total active in Permitium: 7,248
(-7% from March 2025 meeting)

Registration		
	Alarm Registrant	6,433
Registration Total		6,433
License		
	Alarm Licensee	815
License Total		815

FINANCIAL REPORTS

Alarm Systems Licensing Board Financial Report

Fiscal Year 2025

July 1, 2024 - March 30, 2025

ASLB Operating Fund Revenue and Expenditures

FYTD25 Revenue	\$ 483,118.96
FYTD25 Expenditures	\$ (375,756.10)
FYTD25 Fund Balance Increase/(Decrease)	\$ 107,362.86

ASLB Operating Fund Cash Flow

Beginning Balance (July 1, 2024)	\$ 954,110.92
FYTD25 Revenue	\$ 483,118.96
FYTD25 Expenditures	\$ (375,756.10)
Current Fund Balance	\$ 1,061,473.78

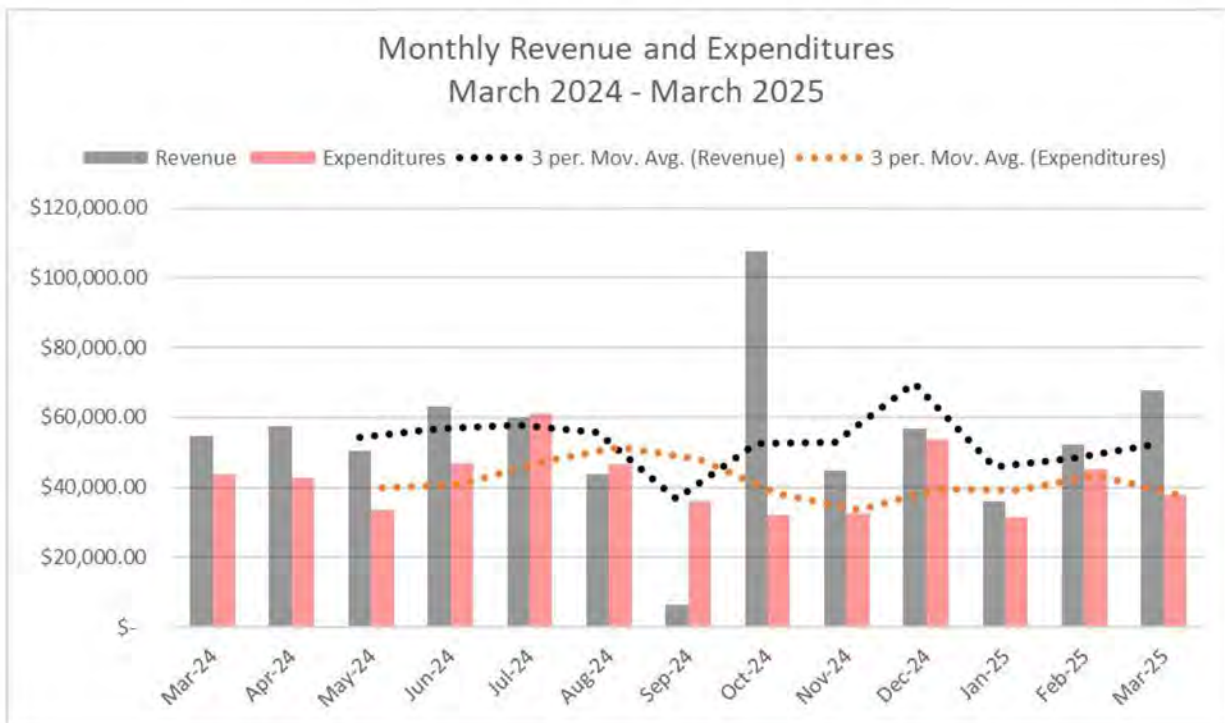
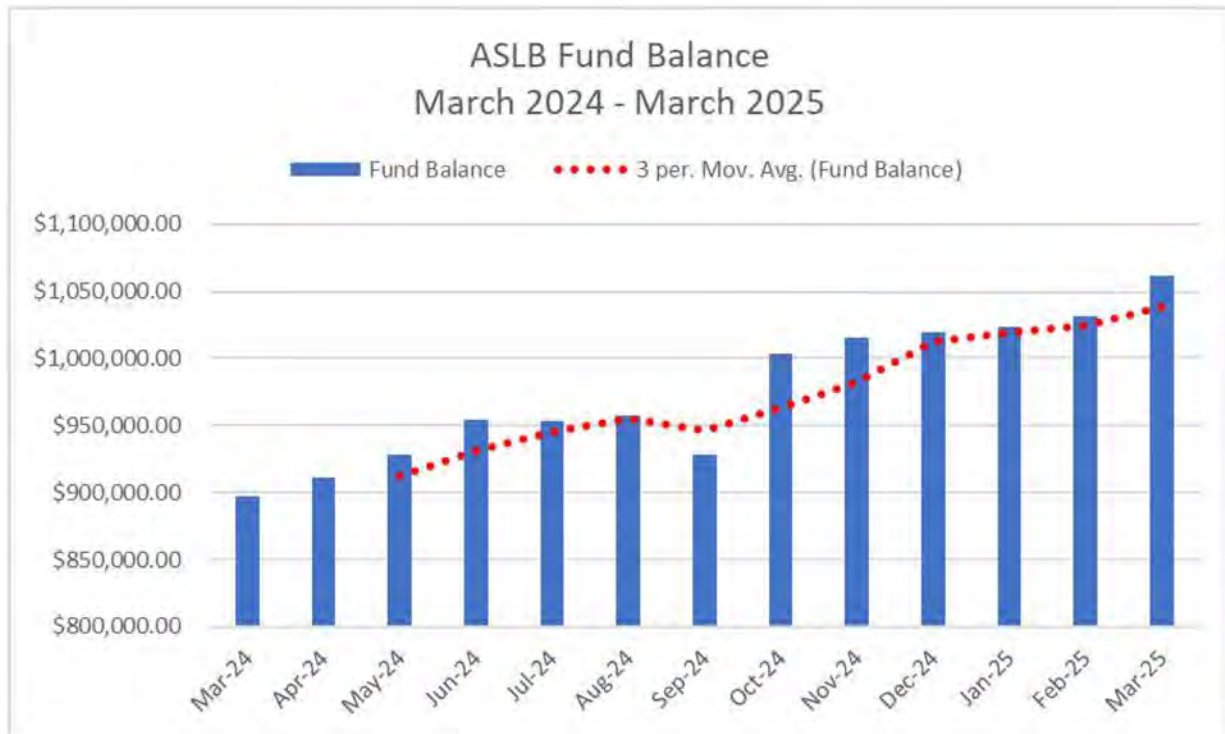
ASLB Education Fund Revenue and Expenditures

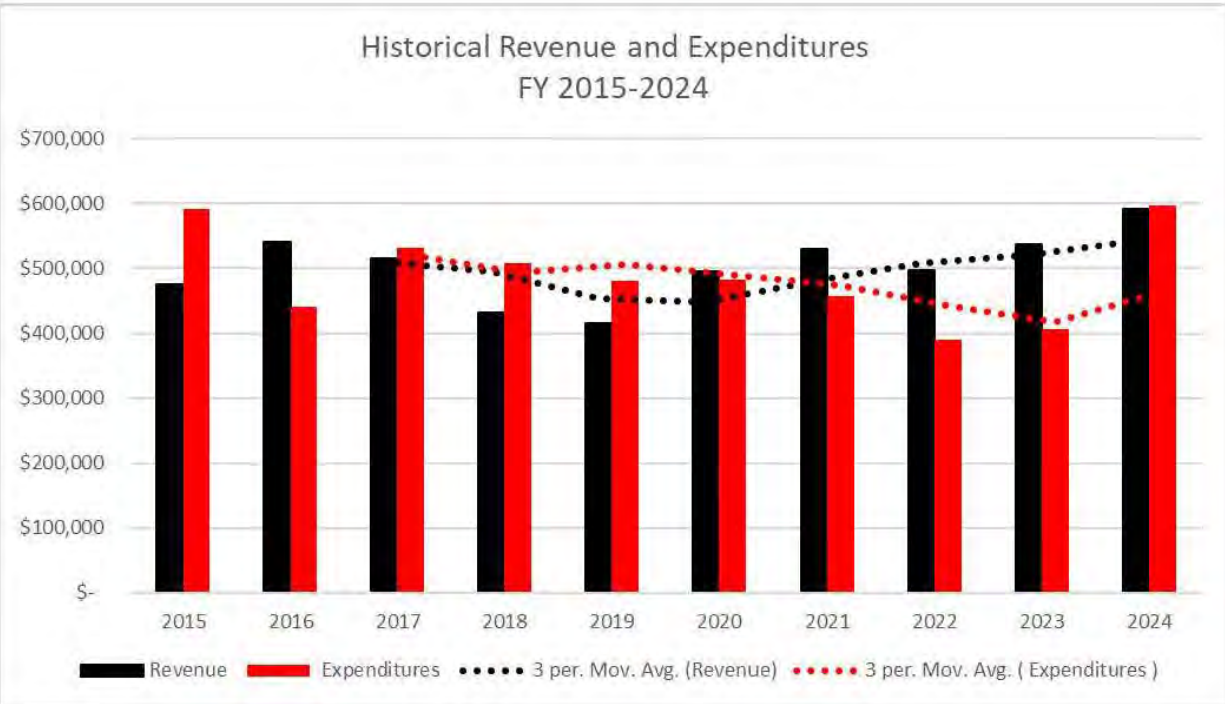
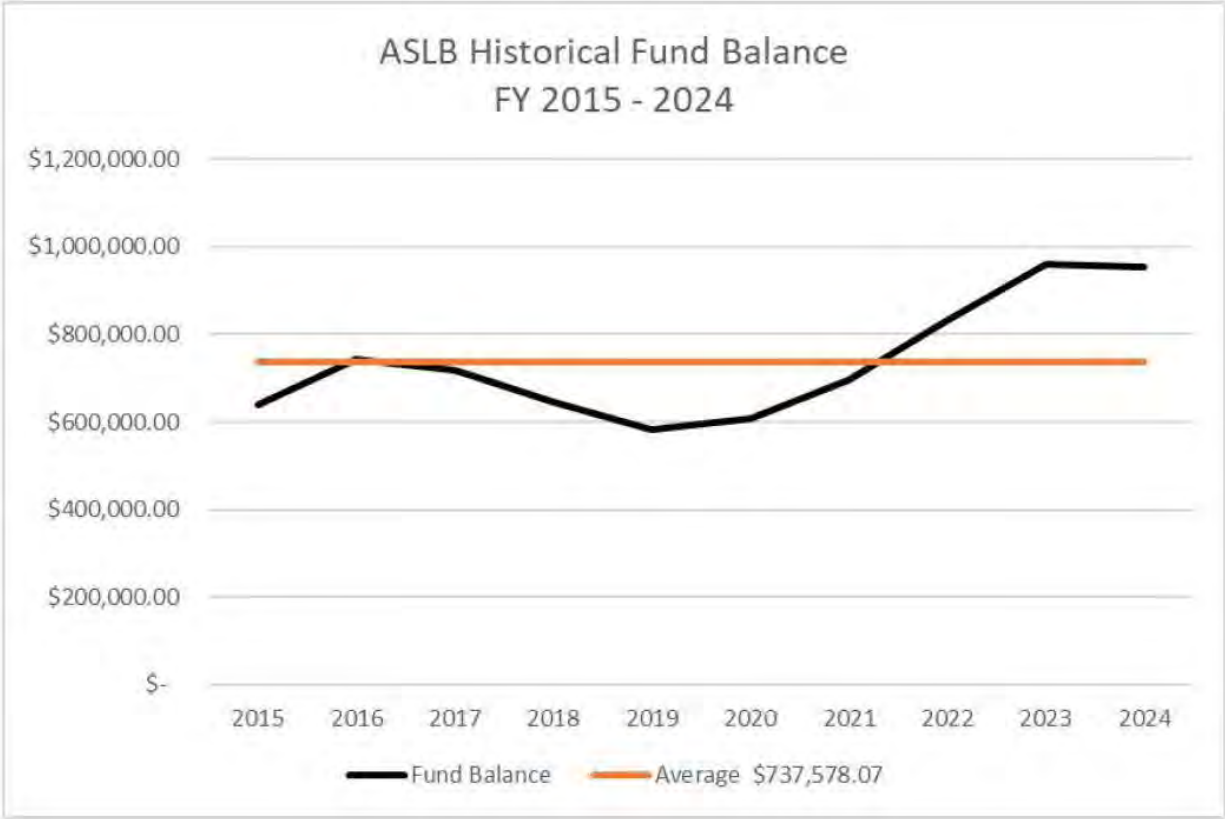
FYTD25 Revenue	\$ 2,250.00
FYTD25 Expenditures	\$ (15,000.00)
FYTD25 Fund Balance Increase/(Decrease)	\$ (12,750.00)

ASLB Education Fund Cash Flow

Beginning Balance (July 1, 2024)	\$ 94,134.68
FYTD25 Revenue	\$ 2,250.00
FYTD25 Expenditures	\$ (15,000.00)
Current Fund Balance	\$ 81,384.68

BUDGET GRAPHICS





ALARM SYSTEMS LICENSING BOARD

Raleigh, North Carolina

May 1, 2025

ATTORNEY'S REPORT



ALARM SYSTEMS LICENSING BOARD

Raleigh, North Carolina

May 1, 2025

I. CONSENT AGREEMENTS & CIVIL PENALTIES

On January 14, 2025, Jason Lindquist/Vivint, Inc. entered into a Consent Agreement in the amount of \$6,936.00 for registration violations. The Consent Agreement was signed by QA Jason Lindquist on January 31, 2025. Payment has been received. (PAID IN FULL)

On December 12, 2024, Christopher Crowe/Protection Systems Technologies II, Inc. (audit) entered into a Consent Agreement in the amount of \$612.00 for registration violations. The Consent Agreement was signed by QA Christopher Crowe on April 14, 2025. Payment has been received. (PAID IN FULL)

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 not been received.

On February 5, 2025, Michael Norona/Ocean 10 Security entered into a Consent Agreement in the amount of \$3,060.00 for thirty-six months unlicensed activity. The Consent Agreement was signed by QA Michael Norona on April 1, 2025. Payment has been received. (PAID IN FULL)

On March 3, 2025, Adam Sondej/Guardian Protection Service entered into a Consent Agreement in the amount of \$255.00 for thirty-six months unlicensed activity. The temporary agreement was signed by QA Adam Sondej on March 3, 2025. Payment has been received. (PAID IN FULL)

On February 11, 2025, Joshua Tucker/144810M (VSC Fire & Security, Inc.) entered into a Consent Agreement in the amount of \$850.00 for unlicensed activity (lapse of QA). The Consent Agreement was signed by QA Joshua Tucker on March 31, 2025. Payment has been received. (PAID IN FULL)

On January 27, 2025, Scott Underbrink/Access Control Technologies, Inc. (audit) entered into a Consent Agreement in the amount of \$2,652.00 for registration violations. The Consent Agreement was signed by QA Scott Underbrink on April 23, 2025. Payment has been received. (PAID IN FULL)

II. OFFICE OF ADMINISTRATIVE HEARINGS

See, Hearings List (attachment 1.)

III. PENDING LITIGATION

See, Agenda.

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 is to be held on Tuesday, May 20, 2025 at 2:00 p.m. at the Board's office. A copy of the Notice of Text is attached as Attachment 2.

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. It is Senate Bill 710, entitled "DPS Agency Changes." I have attached the relevant portions of the bill as Attachment 3.

It passed the Senate Committee on the Judiciary on April 16th with no questions or comments, with a referral to the Senate Committee on Finance and a serial referral to Senate Rules.

- b. House Bill 402, NC REINS Act, would require legislative review of any administrative rule with a "substantial economic impact." "REINS" stands for "Regulations from the Executive in Need of Scrutiny." The threshold for review is an aggregate economic impact of at least 1 mil. dollars. The week of April 14th, certain provisions were negotiated with Democrat members of the House, and the Senate, including removing a

mandated floor vote in the legislature for any rule that received 10 letters of objection.

Passed the House April 17, 2025. (Unassigned in Senate as of April 23rd.)

HB402 was virtually identical to Senate Bill 290 when introduced.

At this point, 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, would require all licensing boards, except six medical-related boards 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.”

Referred to the House Committee on Commerce and Economic Development April 10, 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.)

Referred to House Committee on Regulatory Reform April 14, 2025.

- 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 House Committee on Regulatory Reform April 7, 2025 and was debated, in committee without a vote, on April 16th.

VI. FINAL AGENCY DECISIONS

None.

1.

**ASLB
MASTER HEARINGS LIST
as of March 7, 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.
May 9, 2024	Seth Brewer Beddes/Alder Holdings, LLC 23 DOJ 02590	Suspension of Alarm Systems Business License	FAD served December 16, 2024.
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.

TITLE 14B – DEPARTMENT OF PUBLIC SAFETY

2.

Notice is hereby given in accordance with G.S. 150B-21.2 that the Alarm Systems Licensing Board intends to adopt the rule cited as 14B NCAC 17 .0109.

Link to agency website pursuant to G.S. 150B-19.1(c): <https://www.ncdps.gov/dps-services/permits-licenses/alarm-system-licensing-board>

Proposed Effective Date: September 1, 2025

Public Hearing:

Date: May 20, 2025

Time: 2:00 p.m.

Location: Conference Room, ASLB Office 3101 Industrial Drive, Suite 104, Raleigh, NC 27609

Reason for Proposed Action: It was recently discovered that the Board did not adopt a rule setting forth its procedure for requesting a declaratory ruling when the requirement in G.S. 150B-4(a) was enacted. It is now doing so.

Comments may be submitted to: Paul Sherwin, 3101 Industrial Drive, Suite 104, Raleigh, NC 27609; phone (919) 788-5320; email paul.sherwin@ncdps.gov

Comment period ends: June 30, 2025

Procedure for Subjecting a Proposed Rule to Legislative Review: If an objection is not resolved prior to the adoption of the rule, a person may also submit a written objection to the Rules Review Commission. If the Rules Review Commission receives written and signed objections after the adoption of the Rule in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive letters via U.S. Mail, private courier service, or hand delivery to 1711 New Hope Church Road, Raleigh, North Carolina, or via email to oah.rules@oah.nc.gov. If you have any further questions concerning the submission of objections to the Commission, please review 26 NCAC 05 .0110 or call a Commission staff attorney at 984-236-1850.

Fiscal impact. Does any rule or combination of rules in this notice create an economic impact? Check all that apply.

- ☐ State funds affected
- ☐ Local funds affected
- ☐ Substantial economic impact ($\geq$ \$1,000,000)
- ☐ Approved by OSBM
- ☒ No fiscal note required

CHAPTER 17 - ALARM SYSTEMS LICENSING BOARD

SECTION .0100 - ORGANIZATION AND GENERAL PROVISIONS

14B NCAC 17 .0109 DECLARATORY RULING PROCEDURES

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

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

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

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

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

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

- (1) the rule or statute in question is unclear on its face;
- (2) circumstances are so changed since the adoption of a rule that a declaratory ruling is warranted;

- (3) the factors specified in the request were not given appropriate consideration by the Board at the time the rule was adopted;
- (4) the rule or statute is unclear in its application to the requesting person's facts; or
- (5) a fair question exists regarding the validity of the rule because of an absence of authority for the Board's adoption of the rule or other irregularities in the Board's rule-making proceedings.

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

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

- (1) there has been a similar controlling factual determination made by the Board;
- (2) the rule-making record shows that the factual issues raised by the request were specifically considered prior to adoption of the rule;
- (3) the subject matter of the request is involved in pending litigation in any state or federal court in North Carolina;
- (4) the request does not comply with the procedural guidelines within Paragraphs (a) and (b) of this Rule;
- (5) the Board has previously issued a declaratory ruling on substantially similar facts;
- (6) the Board has previously issued a final agency decision in a contested case on substantially similar facts;
- (7) the facts underlying the request for a declaratory ruling were considered at the time of the adoption of the rule in question;
- (8) the subject matter is one concerning which the Board is without authority to make a decision binding the Board or the petitioner;
- (9) the petitioner is not aggrieved by the rule or statute in question or otherwise has no interest in the subject matter of the request;
- (10) there is reason to believe that the petitioner or some other person or entity materially connected to the subject matter of the request is acting in violation of the G.S. Chapter 74C or the rules adopted by the Board; or
- (11) the subject matter of the request is involved in pending litigation, legislation, or rulemaking.

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

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

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

- (1) the request for a declaratory ruling;
- (2) all written submissions filed in the request, whether filed by the person requesting the ruling or by any other person;
- (3) a record or summary of oral presentations, if any; and
- (4) a copy of the declaratory ruling.

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

3.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2025

S

1

SENATE BILL 710

Short Title: DPS Agency Changes.-AB

(Public)

Sponsors: Senators Daniel, Britt, and B. Newton (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 26, 2025

A BILL TO BE ENTITLED

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, REQUIRE SENATE CONFIRMATION FOR THE ADJUTANT GENERAL OF THE NORTH CAROLINA NATIONAL GUARD, 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,

1 drug, narcotic, or alcoholic beverages; conviction of a crime involving
2 felonious assault or an act of violence; conviction of a crime involving
3 unlawful breaking or entering, burglary, larceny, or of any offense involving
4 moral turpitude; or a history of addiction to alcohol or a narcotic drug;
5 provided that, for purposes of this subsection, "conviction" means and
6 includes the entry of a plea of guilty, plea of no contest, or a verdict rendered
7 in open court by a judge or jury, including a prayer for judgment
8 continued, adjudication withheld, or equivalent.

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

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

15 ...
16 (g) An alarm monitoring company located in another state and licensed by that state
17 which demonstrates to the Board's satisfaction that it does not conduct any business through a
18 personal representative present in this State, but which solicits and conducts business solely
19 through interstate communication facilities, such as telephone, the internet, and the United States
20 Postal Service, upon receipt by the Board of a certificate of good standing from the state of
21 licensure is not required to register employees pursuant to G.S. 74D-8. Out-of-state monitoring
22 companies not licensed in any state must be licensed by the Board and must register employees
23 pursuant to G.S. 74D-8.

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

31 **"§ 74D-2.1. Criminal background checks.**

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

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

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

8 **"§ 74D-3. Exemptions.**

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

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

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

47 **"§ 74D-4. Alarm Security Systems Licensing Board.**

48 (a) The Alarm Security Systems Licensing Board is hereby established.

49 (b) The Board shall consist of seven members: the Secretary of Public Safety or his or
50 her designee; two persons appointed by the Governor, one of whom shall be licensed under this
51 Chapter and one of whom shall be a public member; two persons appointed by the General

1 Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance
2 with G.S. 120-121, ~~one of whom shall be licensed under this Chapter and one of whom shall be~~
3 a public member; and two persons appointed by the General Assembly upon the recommendation
4 of the Speaker of the House of Representatives in accordance with G.S. 120-121, one of whom
5 shall be licensed under this Chapter and one of whom shall be a public member.

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

16 ...
17 (e) Board members who are also State officers or employees shall receive no per diem
18 compensation for serving on the Board, and shall only receive the travel allowances set forth in
19 G.S. 138-6. All other Board members shall receive reimbursement in accordance with
20 G.S. 93B-5(b) and, notwithstanding G.S. 93B-5(a), shall receive as compensation for their
21 services per diem not to exceed one hundred dollars (\$100.00) for each day during which they
22 are engaged in the official business of the Board. The Board shall set the travel allowance and
23 per diem compensation of Board members who are not also State officers or employees.

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

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

33 **"§ 74D-5. Powers of the Board.**

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

- 36 (1) Promulgate rules necessary to carry out and administer the provisions of this
37 Chapter including the authority to require the submission of reports and
38 information by licensees under this ~~Chapter;Chapter.~~
- 39 (2) Determine minimum qualifications and establish minimum education,
40 experience, and training standards for ~~applicants and licensees-applicants,~~
41 licensees, and registrants under this Chapter;Chapter.
- 42 (3) Conduct investigations regarding alleged violations and make evaluations as
43 may be necessary to determine if unlicensed individuals or entities are in
44 violation of this Chapter and licensees and registrants under this Chapter are
45 complying with the provisions of this Chapter;Chapter. The Board shall issue
46 cease and desist orders, in writing, for violations of this Chapter with the
47 concurrence of the Secretary of Public Safety.
- 48 (4) Adopt and amend bylaws, consistent with law, for its internal management
49 and ~~control;control.~~
- 50 (5) Investigate and approve individual applicants to be licensed or registered
51 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 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, G.S. 74D-8,~~ 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.

(e) The Board may charge the following fees, which must be expended, under the direction of the Board, to defray the expense of administering this Chapter:

- (1) A nonrefundable initial license application fee in an amount not to exceed ~~one hundred fifty dollars (\$150.00)~~ five hundred dollars (\$500.00).
- (2) A new or renewal license fee in an amount not to exceed ~~five hundred dollars (\$500.00)~~ one thousand dollars (\$1,000.00).
- (3) A late license renewal fee to be paid in addition to the renewal fee due in an amount not to exceed ~~one hundred dollars (\$100.00)~~ five hundred dollars (\$500.00) if the license has not been renewed on or before the expiration date of the license.

- 1 (4) A new or renewal registration fee in an amount not to exceed ~~fifty dollars~~
2 ~~(\$50.00)~~ one hundred dollars (\$100.00) plus any fees charged to the board for
3 background checks by the State Bureau of Investigation.
- 4 (5) A fee for reregistration of an employee who changes employment to another
5 licensee, not to exceed ~~ten dollars (\$10.00)~~ twenty-five dollars (\$25.00).
- 6 (6) A branch office certificate fee not to exceed ~~one hundred fifty dollars~~
7 ~~(\$150.00)~~ three hundred dollars (\$300.00).
- 8 ~~(7) A fee not to exceed fifty dollars (\$50.00) for each reconsideration of a license~~
9 ~~or registration permit that has been filed or returned to the applicant for~~
10 ~~correctable errors.~~
- 11 (8) A late registration fee, to be paid in addition to the registration renewal fee,
12 not to exceed ~~twenty dollars (\$20.00)~~ forty dollars (\$40.00) for an application
13 submitted no more than 30 days after the expiration of the registration permit.
14 A registration application submitted more than 30 days after the registration
15 has expired shall be registered as a new applicant.

16 "§ 74D-8. Registration of persons employed.

- 17 (a) (1) A licensee of ~~an alarm~~ a security systems business shall register with the
18 Board within 30 days after the employment begins, all of the ~~following~~
19 licensee's employees described in subdivision (1a) of this subsection that are
20 within the State, unless in the discretion of the Director, the time period is
21 extended for good ~~cause~~ cause.

22 (1a) The following employees shall be registered with the Board:

- 23 a. Any employee that has access to ~~confidential~~ any information
24 detailing the design, installation, or application of any ~~location specific~~
25 electronic security system or that has access to any code, number, or
26 program that would allow the system to be modified, altered, or
27 circumvented.
- 28 b. Any employee who conducts personal sales in a private residence or
29 who installs or services an electronic security system in a commercial
30 business establishment or a personal residence.
- 31 c. Any employee who remotely monitors a security system, including
32 cameras, unless the employee is registered as a security guard with a
33 licensed security guard and patrol company under Chapter 74C of the
34 General Statutes.

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

- 37 ~~(1a)~~ (1b) To register an employee, a licensee shall submit to the Board as to the
38 employee: set(s) of classifiable fingerprints on standard F.B.I. applicant cards;
39 recent color photograph(s) of acceptable quality for identification; and
40 statements of any criminal records as deemed appropriate by the Board.

- 41 (2) Except during the period allowed for registration in subdivision (a)(1) of this
42 section, no ~~alarm security systems business~~ may employ any employee
43 required to be registered by this Chapter unless the employee's registration has
44 been approved by the Board as set forth in this section.

- 45 (3) A licensee may employ an applicant for registration as a probationary
46 employee for 20 consecutive days. Upon completion of the probationary
47 period and the desire of the licensee to hire the registration applicant as a
48 regular employee, the licensee shall register the employee, as described in this
49 subsection, with the Board within 30 days after the probationary employment
50 period ends unless the Director, in the Director's discretion, extends the time
51 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 or 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 Alarm 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

4.

SECTION 2.4.(b) Rulemaking. – The North Carolina Auctioneers Commission shall adopt to implement the provisions of this section.

SECTION 2.5.(a) North Carolina Real Estate Commission. – G.S. 93A-38.5 reads as rewritten:

"§ 93A-38.5. Continuing education.

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

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

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

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

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

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

"§ 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:

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

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