



NOTICE OF TEXT [Authority G.S. 150B-21.2(c)]

OAH USE ONLY

VOLUME:

ISSUE:

CHECK APPROPRIATE BOX:

- Notice with a scheduled hearing
 Notice without a scheduled hearing
 Republication of text. Complete the following cite for the volume and issue of previous publication, as well as blocks 1 - 4 and 7 - 13. If a hearing is scheduled, complete block 5.
Previous publication of text was published in Volume: Issue:

1. Rule-Making Agency: Alarm Systems Licensing Board

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

3. Proposed Action -- Check the appropriate box(es) and list rule citation(s) beside proposed action:

ADOPTION:

READOPTION with substantive changes:

READOPTION without substantive changes:

AMENDMENT: 14B NCAC 17 .0201, .0203, .0204, .0209, .0301, .0302, .0306, .0502, .0505

REPEAL:

4. Proposed effective date: 6/1/19

5. Is a public hearing planned? Yes No

If yes: Public Hearing date: 3/5/19

Public Hearing time: 2:00pm

Public Hearing Location: Alarm Systems Licensing Board, 3101 Industrial Dr., Suite 104, Raleigh, NC 27609

6. If no public hearing is scheduled, provide instructions on how to demand a public hearing:

7. Explain Reason For Proposed Rule(s): The Board is amending the above-referenced rules to create the ability for new and renewal licensing and registrations to be submitted via online application. The rules include proposed changes to the licensing and registration application fee structure.

8. 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 written objections to the Rules Review Commission. If the Rules Review Commission receives written and signed objections 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 those objections by mail, delivery service, hand delivery, or facsimile transmission. If you have any further questions concerning the submission of objections to the Commission, please call a Commission staff attorney at 919-431-3000.

Rule(s) is automatically subject to legislative review. Cite statutory reference:

9. The person to whom written comments may be submitted on the proposed rule(s):
Name: Phil Stephenson, Field Services Supervisor
Address: 3101 Industrial Drive, Suite 104, Raleigh, NC 27609

Phone (optional): (919) 788-5320
Fax (optional): (919) 715-0370
E-Mail (optional): Phillip.Stephenson@ncdps.gov

10. Comment Period Ends: 4/16/19

11. Fiscal impact (check all that apply).
If this form contains rules that have different fiscal impacts, list the rule citations beside the appropriate impact.

- State funds affected
- Environmental permitting of DOT affected
Analysis submitted to Board of Transportation
- Local funds affected
- Substantial economic impact (≥\$1,000,000)
- Approved by OSBM
- No fiscal note required by G.S. 150B-21.4
- No fiscal note required by G.S. 150B-21.3A(d)(2)

12. Rule-making Coordinator: Jeffrey Gray

Address: Bailey & Dixon, LLP, PO box 1351, Raleigh, NC 27602

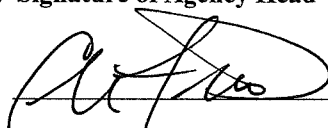
Phone: (919) 828-0731
E-Mail: jgray@bdixon.com

Agency contact, if any: Phil Stephenson

Phone: (919) 788-5320
E-mail: Phillip.Stephenson@ncdps.gov

13. The Agency formally proposed the text of this rule(s) on
Date: 2/15/2019

14. Signature of Agency Head* or Rule-making Coordinator:



***If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form.**

Typed Name: Jeffrey P. Gray
Title: Rule-making Coordinator

*By: Charles F. McDarris,
Attorney
for Jeffrey Gray*

PROPOSED AMENDMENT for Publication in the Register

1 14B NCAC 17 .0201 is proposed for amendment as follows:

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3 **14B NCAC 17 .0201 APPLICATION FOR LICENSE**

4 (a) Each applicant for a license shall ~~complete~~ submit an online application form on the website provided by the
5 Board. ~~This form and one additional copy shall be submitted~~ When this online application is submitted, ~~to the~~
6 ~~administrator~~ it and shall be accompanied by:

7 (1) one set of classifiable fingerprints on an ~~applicant card~~ F.B.I. fingerprint card provided by the ~~Board;~~
8 Board and mailed separately to the Board's office;

9 (2) one head and shoulders digital photograph of the applicant in JPG format of acceptable quality for
10 identification, taken within six months prior to the online submission, and ~~submitted by e-mail to~~
11 PPSASL-Photos@ncdps.gov or by compact disc; uploaded with the application submission;

12 (3) statements of the results of a statewide criminal history records search by the reporting service
13 designated by the Board pursuant to G.S. 74D-2.1(a) for any state where the applicant has resided
14 within the preceeding 60 months; and

15 (4) the applicant's application fee; ~~and~~ fee along with a \$4.00 convenience fee and credit card
16 transaction fee.

17 (5) ~~an Equifax credit check run within 30 days of the license application submission date.~~

18 (b) Each applicant shall ~~provide~~ upload evidence of high school graduation either by diploma, G.E.D. certificate, or
19 other equivalent documentation.

20 (c) Each applicant for a license shall meet personally with either a Board investigator, the Screening Committee, the
21 Director, or a Board representative designated by the Director prior to being issued a license. The applicant shall
22 discuss the provisions of G.S. 74D and the administrative rules in this Chapter during the personal meeting. The
23 applicant shall sign a form provided by the Board indicating that the applicant has reviewed the information with the
24 Board's representative and that the applicant understands G.S. 74D and the administrative rules in this Chapter.

25 (d) Each applicant for a branch office license shall ~~complete~~ submit an online application form on the website provided
26 by the Board. This ~~form~~ online application ~~shall be submitted to the Director~~ and shall be accompanied by the branch
27 office application fee.

28

29 *Authority G.S. 74D-2; 74D-2.1; 74D-3; 74D-5; 74D-7*

PROPOSED AMENDMENT for Publication in the Register

1 14B NCAC 17 .0203 is proposed for amendment as follows:

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3 **14B NCAC 17 .0203 FEES FOR LICENSE**

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5 (a) Application license fees ~~shall be~~ are as follows: follows plus a \$4.00 convenience fee and credit card transaction
6 fee:

7 (1) one hundred fifty dollars (\$150.00) non-refundable initial application ~~fee;~~ fee.

8 (2) three hundred seventy-five dollar (\$375.00) biennial fee for a new or renewal ~~license;~~ license.

9 (3) one hundred fifty dollars (\$150.00) branch office license ~~fee;~~ fee.

10 (4) one hundred dollars (\$100.00) late renewal fee to be paid in addition to the renewal fee if the license
11 has not been renewed on or before the expiration date.

12 (b) Fees shall be paid as follows:

13 (1) ~~if the application is submitted by hand delivery, U.S. Mail, or delivery services, payment shall be~~
14 ~~by check or money order made payable to the Alarm Systems Licensing Board; or~~

15 (2) ~~if the application if is submitted online, payment shall be by credit card, e-check or other form of electronic~~
16 ~~funds or electronic funds transfer.~~

17

18 *Authority G.S. 74D-7*

PROPOSED AMENDMENT for Publication in the Register

1 14B NCAC 17 .0204 is proposed for amendment as follows:

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3 **14B NCAC 17 .0204 RENEWAL OF LICENSE**

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5 (a) Each applicant for a license renewal shall ~~complete a renewal form~~ submit an on-line renewal application on the
6 website provided by the Board. This ~~form~~ online application shall be submitted ~~to the Director~~ not less than 30 days
7 prior to expiration of the applicant's current license and shall be accompanied by:

8 (1) ~~two head and shoulders color photographs of the applicant of acceptable quality for identification~~
9 ~~and made within 90 days of the application one inch by one inch in size;~~

10 (2) (1) statements of the result of a ~~local~~ statewide criminal history records search by the reporting ~~services~~
11 service designated by the Board pursuant to G.S. 74D-2.1 for any state where the applicant has
12 resided within the preceeding 24 months;

13 (3) (2) the applicant's renewal fee as set forth in .0203(a)(2); and

14 (4) (3) proof of liability insurance pursuant to G.S. Sec. 74D-9.

15 (b) Applications for renewal shall be submitted not less than 30 days before the expiration date of the license. No
16 renewal shall be granted more than 90 days after the date of expiration of a license. ~~Renewals shall be dated on the~~
17 ~~next day following expiration of the prior license.~~

18 (c) Applications for renewal submitted after the expiration date of the license shall be accompanied by the late renewal
19 fee established by Rule .0203 of this Section and shall be submitted not later than 90 days after the expiration date of
20 the license.

21 (d) The Director shall approve or deny all applications for renewal. All denials shall be submitted to the Board for a
22 final Board decision.

23 (e) Members of the armed forces whose licenses are in good standing and to whom G.S. 105-249.2 grants an extension
24 of time to file a tax return shall be granted the same extension of time to pay the license renewal fee and to complete
25 the continuing education requirements prescribed in Section .0500 of this Chapter. A copy of the military order or the
26 extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue shall be
27 furnished to the Board.

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29 *Authority G.S. G.S. 74D-2(a); 74D-5; 74D-7; 93B-15*

PROPOSED AMENDMENT for Publication in the Register

1 14B NCAC 17 .0209 is proposed for amendment as follows:
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3 **14B NCAC 17 .0209 COMPANY BUSINESS LICENSE**
4

5 (a) Any firm, association, or corporation required to be licensed pursuant to G.S. 74D-2(a) shall ~~submit~~upload an
6 application for a company business license on a form on the website provided by the Board. A sole proprietorship that
7 is owned and operated by an individual holding a current alarm systems business license shall be exempt from this
8 Rule. This application form shall include such information as the firm, association, or corporation name; the address
9 of its principal office within the State; all past convictions for criminal offenses of any company director or officer;
10 information concerning the past revocation, suspension or denial of a business or professional license to any director
11 or officer; a list of all directors and officers of the firm, association, or corporation; a list of all persons, firms,
12 associations, corporations or other entities owning 10 percent or more of the outstanding shares of any class of stock;
13 and the name and address of the qualifying agent.

14 (b) In addition to the items required in Paragraph (a) of this Rule, an out-of-state company shall file with its license
15 application form a copy of its certificate of authority to transact business in this state issued by the North Carolina
16 Secretary of State, in accordance with G.S. 55-15-01, and a consent to service of process and pleadings that is
17 authenticated by its company seal and accompanied by a duly-certified copy of the resolution of the board of directors
18 authorizing the proper officer or officers to execute this consent.

19 (c) After filing a completed ~~written~~ online application with the Board, the Board shall conduct a background
20 investigation to ascertain if the qualifying agent is in a management position. The Board shall also determine if the
21 directors or officers have the requisite good moral character as defined in G.S. 74D-6(3). It shall be prima facie
22 evidence of good moral character if a director or officer has not been convicted by any local, State, federal, or military
23 court of any crime involving the use, carrying, or possession of a firearm; conviction of any crime involving the use,
24 possession, sale, manufacture, distribution, or transportation of a controlled substance, drug, narcotic, or alcoholic
25 beverage; conviction of a crime involving assault or an act of violence; conviction of a crime involving breaking or
26 entering, burglary, larceny, or any offense involving moral turpitude; or does not have a history of addiction to alcohol
27 or a narcotic drug. For the purposes of this Section, "conviction" means and includes the entry of a plea of guilty, no
28 contest, or a verdict rendered in open court by a judge or jury.

29 (d) Upon satisfactory completion of the background investigation, a company business license shall be issued if all
30 requirements of this Rule are met. A company business license issued by the Board shall be displayed at the principal
31 place of business within the State of North Carolina.

32 (e) The company business license shall be issued only to a corporation and shall not be construed to extend to a
33 licensing of its directors, officers, or employees.

34 (f) The issuance of the company business license is issued to the firm, association, or corporation in addition to the
35 license issued to the qualifying agent. The qualifying agent for the firm, association, or corporation that has been
36 issued the company business license shall be responsible for assuring compliance with G.S. 74D.

PROPOSED AMENDMENT for Publication in the Register

1 (g) Within 90 days of the death of a licensee, the existing qualifying agent or a newly designated replacement
2 qualifying agent for the company may submit a written request to the Board, asking that the deceased licensee's license
3 number remain on company advertisements. The Board shall permit the use of the deceased licensee's license number
4 only if the current qualifying agent's license number is printed immediately adjacent to and in the same size print as
5 the deceased licensee's license number.

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7 *Authority G.S. 74D-2(a); 74D-5*

PROPOSED AMENDMENT for Publication in the Register

1 14B NCAC 17 .0301 is proposed for amendment as follows:

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3 **14B NCAC 17 .0301 APPLICATION FOR REGISTRATION**

4
5 (a) Each licensee or qualifying agent shall submit ~~and sign an application form~~ an online application for the
6 registration of his or her employee on ~~a form~~ the website provided by the Board. ~~This form, when~~ When this online
7 application is submitted ~~sent to the Board~~, it shall be accompanied by:

- 8 (1) one set of classifiable fingerprints on a standard F.B.I. applicant finger-print card mailed separately
9 to the Board's office;
- 10 (2) one original signed S.B.I. release of information form uploaded online and the original mailed
11 separately to the Board's office;
- 12 (2) (3) one head and shoulders digital photograph of the applicant ~~in JPG format~~ of acceptable quality for
13 identification, taken within six months prior to online submission, and ~~submitted~~ uploaded with the
14 application submission; submission, e-mail to PPSASL-Photos@ncdps.gov or by compact disc;
- 15 (3) (4) statements of the results of a statewide criminal history records search by the reporting service
16 designated by the Board pursuant to G.S. 74D-2.1(a) for any state where the applicant has resided
17 within the preceding 60 months; ~~and~~
- 18 (4) (5) the registration fee required by Rule .0302 of this Section. ~~Section~~ along with a \$4.00 convenience
19 fee and credit card transaction fee; and
- 20 (6) a completed affidavit form and public notice statement form.

21 (b) The employer of an applicant who is currently registered with another alarm business shall complete an online
22 application form provided by the Board. This form shall be accompanied by the applicant's multiple registration ~~fee.~~
23 fee along with a \$4.00 convenience fee and credit card transaction fee. This online application shall be accompanied
24 by a completed affidavit form and public notice statement form.

25 (c) The employer of each applicant for registration shall print and retain a copy of the applicant's online application
26 in the individual applicant's personnel file in the employer's office.

27 (d) ~~The employer of an applicant for registration shall complete and submit to the Board a certification of the~~
28 ~~background and criminal record check of each applicant signed by the licensee or qualifying agent. A copy of this~~
29 ~~certification shall be retained in the individual applicant's personnel file in the employer's office.~~

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31 *Authority G.S. 74D-2.1; 74D-5; 74D-8*

PROPOSED AMENDMENT for Publication in the Register

1 14B NCAC 17 .0302 is proposed for amendment as follows:

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3 **14B NCAC 17 .0302 FEES FOR REGISTRATION**

4

5 (a) Registration fees are as follows: ~~follows~~ follows plus a \$4.00 convenience fee and credit card transaction fee.

6 (1) ~~Forty five dollar (\$45.00)~~ Fifty dollar (\$50.00) non-refundable biennial registration fee; fee.

7 (2) Ten dollar (\$10.00) non-refundable fee for registration of an employee who changes employment
8 to another ~~licensee~~; licensee.

9 (3) Ten dollar (\$10.00) non-refundable annual multiple registration fee; fee.

10 (4) ~~Ten dollar (\$10.00) fee for each reconsideration of a registration permit that has been previously~~
11 ~~filed with the Board but returned to the licensee or applicant for correctable errors;~~

12 (5) (4) Twenty dollar (\$20.00) late renewal fee to be paid for an application submitted no more than 30
13 days from the date the registration expires and to be paid in addition to the renewal fee.

14 (b) Fees shall be paid as follows:

15 (1) ~~if the application is submitted by hand delivery, U.S. Mail, or delivery service, payment shall be by~~
16 ~~check or money order made payable to the Alarm Systems Licensing Board; or~~

17 (2) ~~if the application is submitted online, payment shall be by credit card, e-check or other form of~~ or ~~electronic~~
18 funds transfer.

19

20 *Authority G.S. 74D-7*

PROPOSED AMENDMENT for Publication in the Register

1 14B NCAC 17 .0306 is proposed for amendment as follows:

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3 **14B NCAC 17 .0306 RENEWAL OR REREGISTRATION OF REGISTRATION**

4

5 (a) Each applicant for renewal of a registration identification card or his employer shall complete a an online form on
6 the website provided by the Board. This online form shall be submitted not less than ~~30~~ 90 days prior to expiration of
7 the applicant's current card and shall be accompanied by:

8 (1) ~~two~~ one digital head and shoulders color ~~photographs~~ photograph of the applicant of acceptable
9 quality for identification and made within 90 days of the application ~~one inch by one inch in size;~~
10 uploaded online with application submission;

11 (2) ~~statements of the result of a local criminal history records search by the City or County Bureau or~~
12 ~~Clerk of Superior Court in each county where the applicant has resided within the immediately~~
13 ~~preceeding 24 months; and~~ of a statewide criminal history records search by the reporting service
14 designated by the Board pursuant to G.S. 74D-2.1(a) for any state where the applicant has resided
15 within the preceeding 48 months; and

16 (3) ~~the applicant's renewal fee.~~ fee along with the \$4.00 convenience fee and credit card transaction fee.

17 (b) Each licensee shall provide each applicant for registration or re-registration ~~an a~~ a copy of the online submitted
18 application form provided by the Board. This form shall be submitted to the Board online and accompanied by:

19 (1) ~~two~~ one digital head and shoulders color ~~photographs~~ photograph of the applicant of acceptable
20 quality for identification and made within 90 days of the application uploaded online with the
21 application submission; and

22 (2) ~~the applicant's registration fee.~~ fee along with the \$4.00 convenience fee and credit card transaction
23 fee.

24 (c) The employer of each applicant for a registration renewal or reregistration shall give the applicant a copy of the
25 online application which will serve as a record of application for renewal and shall retain a copy of the applicant's
26 online renewal application in the individual's personnel file in the employer's office.

27 (d) Members of the armed forces whose registrations are in good standing and to whom G.S. 105-249.2 grants an
28 extension of time to file a tax return are granted that same extension of time to pay the registration renewal fee and to
29 complete the continuing education requirements prescribed by Section .0500 of this Chapter. A copy of the military
30 order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue
31 must be furnished to the Board.

32

33 *Authority G.S. 74D-7; 74D-8; 93B-15*

PROPOSED AMENDMENT for Publication in the Register

1 14B NCAC 17 .0502 is proposed for amendment as follows:

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3 **14B NCAC 17 .0502 REQUIRED CONTINUING EDUCATION HOURS**

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5 Each licensee shall complete at least six credit hours of continuing education training during each
6 two year renewal period. Each registrant shall complete at least three credit hours of continuing
7 education training during each renewal period. Only registrants who engage in installation, service,
8 sales, or monitoring of alarm systems shall be required to complete the continuing education
9 requirements. Credit shall be given only for classes that have been pre-approved by the Board. A
10 licensee or registrant who attends a complete meeting of a regularly-scheduled meeting of the
11 Alarm Systems Licensing Board shall receive three credit hours for each meeting that the licensee
12 or registrant attends. The Board approved continuing education form(s) showing the credit hours
13 earned must be uploaded online and submitted with each licensee or registrant's online application
14 submission.

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16 *Authority G.S. 74D-2; 74D-5*

PROPOSED AMENDMENT for Publication in the Register

1 14B NCAC 17 .0505 is proposed for amendment as follows:

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3 **14B NCAC 17 .0505 RECORDING AND REPORTING CONTINUING EDUCATION**
4 **CREDITS**

5

6 (a) Each licensee shall be responsible for recording and reporting continuing education credits to the Board at the
7 time of license or registration renewal. For each course taken the report shall include a certificate of course completion
8 that is signed by at least one course instructor, indicates the name of the licensee or registrant who completed the
9 course, indicates the date of course completion, and indicates the number of hours taken by the licensee or registrant.
10 Credit shall not be given if a certificate of course completion is dated more than two years from the license or
11 registration permit renewal date. Each course instructor shall maintain a course roster and shall verify the identity of
12 each participant by a government issued photo identification, such as a driver's license. This roster shall be delivered
13 to the Board's office within two weeks of the completion date of the course.

14 (b) All online applications for renewal of a license or registration permit shall have CE Certificates ~~attached~~ uploaded,
15 verifying completion of the required number of credit hours. If an applicant is filing an application designated as
16 "new" and the applicant has been licensed or registered for any period of time within the previous two years, the
17 applicant shall ~~attach~~ upload CE Certificates verifying completion of the required number of credit hours. An applicant
18 shall not be required to submit a CE Certificate if the applicant is filing an application designated as a "transfer" or
19 "duplicate" and if the applicant has a current registration card issued by the Board.

20

21 *Authority G.S. 74D-2; 74D-5*