

## **BILL ANALYSIS**

C.S.H.B. 3236  
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Urban Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Currently municipalities are allowed to require that a person pay an annual fee of no more than \$50 per year in order to obtain a permit from that municipality before the person may use an alarm system in the municipality. Municipalities are not allowed to impose penalties or fees for the signaling of a false alarm unless five other false alarms have occurred during the preceding 12-month period. These penalties must be established by ordinance and may not exceed \$50 in the case of the category of burglar alarms or may not exceed the actual expenses incurred for the response.

Committee Substitute House Bill 3236 would allow for municipalities to charge an annual permit fee for an alarm system of \$50 per year for a residential and \$100 a year for a commercial location. It also allows municipalities to permit individual residential locations in multi-unit housing facilities. In addition, penalties for false alarms would be allowed after three other false alarms have occurred during the preceding 12-month period. The amounts for these penalties are \$50 if the location has had more than three but fewer than six, \$75 for more than five but fewer than eight and \$100 if the location has had eight or more other false alarms in the preceding 12-month period. C.S.H.B. 3236 also allows municipalities to not respond to the signaling of an alarm if a permit has not been obtained as required by the municipality (or has been revoked) and that municipalities are not liable for damages relating to the cause of the alarm system signal. Municipalities would be allowed to require verification with the occupant of the alarm system location twice before the municipality responds to the alarm system signal. C.S.H.B. 3236 also requires alarm systems installers to distribute information to the occupant of the alarm system location on the laws relating to false alarms, how to prevent false alarms, and how to operate the alarm system. They shall also notify the municipality in which the system is located of an installation or activation of the system not later than the 30th day after the date of the installation or activation by providing the alarm systems company name, the alarm systems company license number, the name of the occupant of the alarm system location, the address of the alarm system location, and the date of installation or activation. The information gathered under this statute is confidential.

### **RULEMAKING AUTHORITY**

It is the opinion of this committee that this bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Section 214.194, Local Government Code, FEE FOR MUNICIPAL PERMIT, is amended to allow municipalities to adopt an ordinance that requires that a person pay an annual fee to obtain a permit from the municipality before the person may use an alarm system in the municipality, the fee may not exceed the rate of:

- (1) \$50 a year for a residential location; and
- (2) \$100 a year for a commercial location.

SECTION 2. Amends Section 214.195, Local Government code by amending Subsections (a) and (d) and adding Subsections (e) and (f) as follows:

- (a) Municipalities are not allowed to terminate law enforcement response to a residential or commercial location.
- (d) Municipalities are allowed to revoke a permit or to refuse to permit particular systems that

have had eight or more false alarms during the preceding 12-month period.

(e) Municipalities that require that an alarm system permit are allowed to terminate their law enforcement response to a residential or commercial location if a permit has not been obtained for that property or if the permit is revoked or refused under Subsection (d).

(f) Municipalities that do not respond to the signaling of an alarm as described under Subsection (e) are not liable for damages that may occur relating to the cause of the alarm system signal.

SECTION 3. Amends Subchapter F, Chapter 214, Local Government Code by adding Section 214.1955, MULTI-UNIT HOUSING FACILITIES, as follows:

(a) Prohibits municipalities from refusing to issue alarm system permits for residential locations solely because the residential location is an individual residential unit located in a multi-unit housing facility.

(b) Requires municipalities to issue the permit for an individual residential unit of a multi-unit housing facility to the person occupying the individual residential unit.

(c) Allows municipalities to impose penalties under Section 214.197 for the signaling of false alarms on the premises of a multi-unit housing facility for a facility other than an individual residential unit only if the permit holder is notified of:

(1) the date of the signaling of the false alarm;

(2) the address of the multi-unit housing facility where the false alarm signaling occurred; and

(3) the identification of the individual facility, if applicable, located on the multi-unit housing facility premises where the signaling of the false alarm occurred.

SECTION 4. Amends Section 214.197, Local Government Code, as follows:

**PENALTIES FOR FALSE ALARMS.** Municipalities are allowed to impose penalties for the signaling of a false alarm by a burglar alarm system if at least three (formerly five) other false alarms have occurred during the preceding 12-month period. The amount of the penalty for the signaling of a false alarm as described by Section 214.196 may not exceed:

(1) \$50 if the location has had more than three but fewer than six other false alarms in the preceding 12-month period;

(2) \$75 if the location has had more than five but fewer than eight other false alarms in the preceding 12-month period; or

(3) \$100 if the location has had eight or more other false alarms in the preceding 12-month period.

SECTION 5. Amends Subchapter F, Chapter 214, Local Government Code, by adding Section 214.198 as follows:

**VERIFICATION.** Municipalities may require an alarm system monitor to attempt contact with the occupant of the alarm system location twice before the municipality responds to the alarm system signal.

SECTION 6. Amends Subchapter L, Chapter 1702, Occupations Code by adding Section 1702.286 as follows:

**DUTIES OF ALARM SYSTEMS COMPANY.** (a) On the installation or activation of an alarm system, an alarm systems installer shall distribute to the occupant of the alarm system location information summarizing:

(1) the applicable law relating to false alarms, including the potential for penalties and revocation or suspension of a permit;

(2) how to prevent false alarms; and

(3) how to operate the alarm system.

(b) An alarm systems installer shall notify the municipality in which the alarm system is located of an installation or activation of an alarm system not later than the 30th day after the date of the installation or activation. The installer shall provide the alarm systems company name, the alarm systems company license number, the name of the occupant of the alarm system location, the address of the alarm system location, and the date of the installation or activation.

(c) The information provided to a governmental body under this section is confidential and subject to disclosure only as provided under Section 1702.284.

SECTION 6. Section 1702.286, Occupations Code, as added by this Act, applies only to an alarm system installed or activated on or after January 1, 2004.

SECTION 7. Effective date.

**EFFECTIVE DATE**

September 1, 2003.

**COMPARISON OF SUBSTITUTE TO THE ORIGINAL**

C.S.H.B.3236 moves the Sections around to the effect that it adds amendments to Section 214.195 to allow for provisions for failure to obtain an alarm permit instead of adding Section 214.1935, EFFECT OF NOT OBTAINING PERMIT, as the original does.

The substitute also changes the fine amounts for false alarms from \$50 for more than three but fewer than six where previously it was more than one and fewer than four other false alarms. It changes the fees to \$75 for more than five but fewer than eight other false alarms rather than for four or more but fewer than six other false alarms and to \$100 for more than eight rather than six other false alarms.

C.S.H.B. 3236 also moves the amount of false alarms allowed before termination of a permit from Local Government Code Section 214.197, (b) to Section 214.195 (d) Local Government Code and changes the amount before a permit can be revoked from 6 to 8.

The substitute also moves provisions allowing municipalities that require alarm system permits to terminate law enforcement response to a residential or commercial location if a permit has not been obtained for that property and removing them from liability for not responding from Local Government Code, Section 214.1935 (a) and (b) to Local Government Code, Section 214.195 (e) and (f).

The substitute adds Multi-Unit Housing Facilities to this bill. It states that municipalities can not refuse to issue alarm system permits for residential locations based solely on the fact that it is located in a multi-unit housing facility. It also states that the permit must be issued to the person occupying the individual residential unit and that a municipality may impose penalties for a multi-unit housing facility other than an individual residential unit only if the permit holder is notified of the date of the signaling of the false alarm, the address of the multi-unit housing facility where the signaling of the false alarm occurred, and the identification of the individual facility, if applicable, located on the multi-unit housing facility premises where the signaling of the false alarm occurred.

C.S.H.B. 3236 also requires that the installer of an alarm system notify the municipality of the alarm systems company name and the alarm systems company license number in addition to the name of the occupant of the alarm system location, the address of the alarm system location, and the date of the installation or activation. It also changes the heading of DUTIES OF ALARM SYSTEMS INSTALLER to DUTIES OF ALARM SYSTEMS COMPANY.