

AN ACT

relating to the regulation of certain activities associated with providing private security.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1702.002, Occupations Code, is amended by amending Subdivisions (1) and (6) and adding Subdivision (6-a) to read as follows:

(1) "Alarm system" means:

(A) electronic equipment and devices designed to detect or signal:

(i) an unauthorized entry or attempted entry of a person or object into a residence, business, or area monitored by the system; or

(ii) the occurrence of a robbery or other emergency;

(B) electronic equipment and devices using a computer or data processor designed to control the access of a person, vehicle, or object through a door, gate, or entrance into the controlled area of a residence or business; or

(C) a television camera or still camera system that records, archives, or monitors property or individuals in a public or private area of a residence or business ~~[an alarm system, burglar alarm signal device, burglar alarm, robbery alarm, television camera, or still camera used to signal the presence of an~~

1 ~~emergency to which law enforcement or emergency services are~~  
2 ~~expected to respond].~~

3 (6) "Detection device" means an electronic device used  
4 as a part of an alarm system [~~a burglar or robbery alarm~~], including  
5 a control, communications device, motion detector, door or window  
6 switch, sound detector, vibration detector, light beam, pressure  
7 mat, wiring, or similar device.

8 (6-a) "Electronic access control device" means an  
9 electronic, electrical, or computer-based device that allows  
10 access to a controlled area of a business, but that is not monitored  
11 and does not send a signal to which law enforcement or emergency  
12 services respond. The term does not include a mechanical device,  
13 such as a deadbolt or lock.

14 SECTION 2. Subchapter D, Chapter 1702, Occupations Code, is  
15 amended by adding Section 1702.0635 to read as follows:

16 Sec. 1702.0635. RESTRICTIONS ON CERTAIN RULES. The  
17 commission may not adopt rules or establish unduly restrictive  
18 experience or education requirements that limit a person's ability  
19 to be licensed as an electronic access control device company or be  
20 registered as an electronic access control device installer.

21 SECTION 3. Subchapter F, Chapter 1702, Occupations Code, is  
22 amended by adding Section 1702.1025 to read as follows:

23 Sec. 1702.1025. ELECTRONIC ACCESS CONTROL DEVICE COMPANY  
24 LICENSE REQUIRED; SCOPE OF LICENSE. (a) Unless the person holds a  
25 license as an electronic access control device company, a person  
26 may not:

27 (1) act as an electronic access control device

1 company;

2 (2) offer to perform the services of an electronic  
3 access control device company; or

4 (3) engage in business activity for which a license is  
5 required under this chapter.

6 (b) A person licensed as an electronic access control device  
7 company may not install alarm systems unless otherwise licensed or  
8 registered to install alarm systems under this chapter.

9 SECTION 4. Subsections (a) and (b), Section 1702.103,  
10 Occupations Code, are amended to read as follows:

11 (a) The license classifications are:

12 (1) Class A: investigations company license, covering  
13 operations of an investigations company;

14 (2) Class B: security services contractor license,  
15 covering operations of a security services contractor; ~~and~~

16 (3) Class C: covering the operations included within  
17 Class A and Class B; and

18 (4) Class D: electronic access control device license,  
19 covering operations of an electronic access control device company.

20 (b) A Class A, B, ~~or~~ C, or D license does not authorize the  
21 license holder to perform a service for which the license holder has  
22 not qualified. A person may not engage in an operation outside the  
23 scope of that person's license. The commission shall indicate on  
24 the license the services the license holder is authorized to  
25 perform. The license holder may not perform a service unless it is  
26 indicated on the license.

27 SECTION 5. Subchapter F, Chapter 1702, Occupations Code, is

1 amended by adding Sections 1702.1055 and 1702.1056 to read as  
2 follows:

3 Sec. 1702.1055. ELECTRONIC ACCESS CONTROL DEVICE COMPANY.  
4 A person acts as an electronic access control device company for the  
5 purposes of this chapter if the person installs or maintains an  
6 electronic access control device.

7 Sec. 1702.1056. LOCKSMITH COMPANY. A person acts as a  
8 locksmith company for the purposes of this chapter if the person  
9 sells, installs, or maintains mechanical security devices,  
10 including deadbolts and locks, and:

11 (1) advertises services offered by the company using  
12 the term "locksmith"; or

13 (2) includes the term "locksmith" in the company's  
14 name.

15 SECTION 6. Subsection (a), Section 1702.124, Occupations  
16 Code, is amended to read as follows:

17 (a) The commission may not issue a license unless the  
18 applicant files with the commission:

19 (1) evidence of a general liability insurance policy  
20 on a certificate of insurance form prescribed by the Texas  
21 Department of Insurance [~~commission~~] and countersigned by an  
22 insurance agent licensed in this state; or

23 (2) a certificate of insurance for surplus lines  
24 coverage obtained under Chapter 981 [~~Article 1.14-2~~], Insurance  
25 Code, through a licensed Texas surplus lines agent resident in this  
26 state.

27 SECTION 7. Section 1702.221, Occupations Code, is amended

1 to read as follows:

2           Sec. 1702.221. REGISTRATION REQUIRED. An individual must  
3 register with the commission as provided by commission rule if the  
4 individual:

5           (1) is employed as an alarm systems installer, alarm  
6 systems monitor, electronic access control device installer,  
7 locksmith, dog trainer, manager or branch office manager,  
8 noncommissioned security officer, private investigator, private  
9 security consultant, or security salesperson; or

10           (2) is an owner, officer, partner, or shareholder of a  
11 license holder.

12           SECTION 8. Subchapter J, Chapter 1702, Occupations Code, is  
13 amended by adding Section 1702.2225 to read as follows:

14           Sec. 1702.2225. LOCKSMITH COMPANY REGISTRATION REQUIRED.  
15 Unless the person is registered as a locksmith company, a person may  
16 not:

17           (1) act as a locksmith company;

18           (2) offer to perform the services of a locksmith  
19 company; or

20           (3) engage in business activity for which registration  
21 is required under this chapter.

22           SECTION 9. Subchapter J, Chapter 1702, Occupations Code, is  
23 amended by adding Sections 1702.2226 and 1702.2227 to read as  
24 follows:

25           Sec. 1702.2226. ELECTRONIC ACCESS CONTROL DEVICE  
26 INSTALLER. (a) An individual acts as an electronic access control  
27 device installer for purposes of this chapter if the individual

1 installs, maintains, or repairs an electronic access control  
2 device.

3 (b) A person registered as an electronic access control  
4 device installer may not install alarm systems unless the person is  
5 registered under this chapter as an alarm systems installer.

6 Sec. 1702.2227. LOCKSMITH. An individual acts as a  
7 locksmith for the purposes of this chapter if the person sells,  
8 installs, or maintains mechanical security devices, including  
9 deadbolts and locks, and advertises or offers services to the  
10 public or represents to the public that the person is a locksmith.

11 SECTION 10. Subchapter J, Chapter 1702, Occupations Code,  
12 is amended by adding Section 1702.236 to read as follows:

13 Sec. 1702.236. EXAMINATION AND TRAINING REQUIREMENTS FOR  
14 ELECTRONIC ACCESS CONTROL DEVICE INSTALLERS. (a) The commission  
15 shall require an individual who applies for registration as an  
16 electronic access control device installer to pass an examination  
17 given by the commission or a person approved by the commission. The  
18 examination must cover material related to access control.

19 (b) Before September 1, 2005, the commission shall allow an  
20 electronic access control device installer to obtain or renew a  
21 certificate of registration by fulfilling the requirements of a  
22 commission-approved, industry-based educational training program.  
23 This subsection expires September 1, 2006.

24 (c) On and after September 1, 2005, the commission by rule  
25 may allow an electronic access control device installer to obtain  
26 or renew a certificate of registration by fulfilling the  
27 requirements of a commission-approved, industry-based educational

1 training program.

2 (d) A party who asserts that the commission has adopted a  
3 rule in violation of Subsection (b) or (c) may appeal to the  
4 attorney general for a determination of whether the rule violates  
5 the subsection because the rule does not comply with reasonable  
6 business practices. The attorney general shall make a  
7 determination on an appeal submitted under this section not later  
8 than the 90th day after the date the appeal is submitted or within a  
9 reasonable time as circumstances require. The challenged rule may  
10 not take effect until after the attorney general makes a  
11 determination. This subsection expires September 1, 2007.

12 SECTION 11. Section 1702.223, Occupations Code, is amended  
13 to read as follows:

14 Sec. 1702.223. ALARM SYSTEMS INSTALLER. (a) An individual  
15 acts as an alarm systems installer for purposes of this chapter if  
16 the individual installs, maintains, or repairs an alarm system or  
17 detection device.

18 (b) An alarm systems installer may install, maintain, or  
19 repair an electronic access control device.

20 SECTION 12. Subsection (a), Section 1702.239, Occupations  
21 Code, is amended to read as follows:

22 (a) The commission may require that an individual employed  
23 as an alarm systems installer or security salesperson hold a  
24 certification by a commission-approved training program to renew an  
25 initial registration. The commission may approve only nationally  
26 recognized training programs that consist of at least 16 [~~20~~] hours  
27 of classroom study in the areas of work allowed by the registration.

1 To be approved, a training program must offer at least two  
2 certification programs each year, sufficient to complete the  
3 requirements of this subsection, within 100 miles of each county in  
4 the state that has a population of more than 500,000.

5 SECTION 13. Subsection (b), Section 1702.324, Occupations  
6 Code, is amended to read as follows:

7 (b) This chapter does not apply to:

8 (1) a manufacturer or a manufacturer's authorized  
9 distributor who sells equipment to a license holder or registrant  
10 that is used in the operations for which the person is required to  
11 be licensed or registered;

12 (2) a person engaged exclusively in the business of  
13 obtaining and providing information to:

14 (A) determine creditworthiness;

15 (B) collect debts; or

16 (C) ascertain the reliability of information  
17 provided by an applicant for property, life, or disability  
18 insurance or an indemnity or surety bond;

19 (3) a person engaged exclusively in the business of  
20 repossessing property that is secured by a mortgage or other  
21 security interest;

22 (4) ~~[a locksmith who:~~

23 ~~[(A) does not install or service detection~~  
24 ~~devices,~~

25 ~~[(B) does not conduct investigations, and~~

26 ~~[(C) is not a security services contractor,~~

27 ~~[(5)]~~ a person who:



1 (A) is engaged in the business of psychological  
2 testing or other testing and interviewing services, including  
3 services to determine attitudes, honesty, intelligence,  
4 personality, and skills, for preemployment purposes; and

5 (B) does not perform any other service that  
6 requires a license under this chapter;

7 (5) [~~(6)~~] a person who:

8 (A) is engaged in obtaining information that is a  
9 public record under Chapter 552, Government Code, regardless of  
10 whether the person receives compensation;

11 (B) is not a full-time employee, as defined by  
12 Section 61.001, Labor Code, of a person licensed under this  
13 chapter; and

14 (C) does not perform any other act that requires  
15 a license under this chapter;

16 (6) [~~(7)~~] a licensed [~~professional~~] engineer  
17 practicing engineering or directly supervising engineering  
18 practice under Chapter 1001 [~~The Texas Engineering Practice Act~~  
19 ~~(Article 3271a, Vernon's Texas Civil Statutes)~~], including  
20 forensic analysis, burglar alarm system engineering, and necessary  
21 data collection;

22 (7) [~~(8)~~] an employee of a cattle association who  
23 inspects livestock brands under the authority granted to the cattle  
24 association by the Grain Inspection, Packers and Stockyards  
25 Administration of the United States Department of Agriculture;

26 (8) [~~(9)~~] a landman performing activities in the  
27 course and scope of the landman's business;

1           (9) [~~(10)~~] an attorney while engaged in the practice  
2 of law;

3           (10) [~~(11)~~] a person who obtains a document for use in  
4 litigation under an authorization or subpoena issued for a written  
5 or oral deposition; [~~or~~]

6           (11) [~~(12)~~] an admitted insurer, insurance adjuster,  
7 agent, or insurance broker licensed by the state, performing duties  
8 in connection with insurance transacted by that person; or

9           (12) a person who on the person's own property or on  
10 property owned or managed by the person's employer:

11                   (A) installs, changes, or repairs a mechanical  
12 security device;

13                   (B) repairs an electronic security device; or

14                   (C) cuts or makes a key for a security device.

15           SECTION 14. Section 1702.328, Occupations Code, is amended  
16 to read as follows:

17           Sec. 1702.328. SECURITY SYSTEMS SALES AND INSTALLATION.

18 This chapter does not apply to:

19           (1) a person who owns and installs a burglar detection  
20 or alarm device on the person's own property or, if the person does  
21 not charge for the device or the installation, installs the device  
22 for the protection of the person's personal property located on  
23 another person's property and does not, as a normal business  
24 practice, install the devices on the property of another;

25           (2) a person in the business of building construction  
26 that installs electrical wiring and devices that may include in  
27 part the installation of a burglar alarm or detection device if:

1 (A) the person is a party to a contract that  
2 provides that:

3 (i) the installation will be performed  
4 under the direct supervision of, and inspected and certified by, a  
5 person licensed to install and certify the alarm or detection  
6 device; and

7 (ii) the license holder assumes full  
8 responsibility for the installation of the alarm or detection  
9 device; and

10 (B) the person does not service or maintain alarm  
11 systems, electronic access control devices, locks, [burglar  
12 alarms] or detection devices;

13 (3) a person who sells or installs automobile burglar  
14 alarm devices and who does not perform any other act that requires a  
15 license under this chapter; or

16 (4) a person who sells exclusively over the counter or  
17 by mail order [~~burglar~~] alarm systems, electronic access control  
18 devices, locks, or detection [signal] devices[~~, burglary alarms,~~  
19 ~~television cameras, still cameras, or other electrical,~~  
20 ~~mechanical, or electronic devices used for preventing or detecting~~  
21 ~~burglary, theft, or other losses~~].

22 SECTION 15. (a) Not later than January 1, 2004, the Texas  
23 Commission on Private Security shall adopt the rules necessary to  
24 administer the changes in law made by this Act to Chapter 1702,  
25 Occupations Code.

26 (b) Notwithstanding Sections 1702.1025 and 1702.2225,  
27 Occupations Code, as added by this Act, and Section 1702.221,

1 Occupations Code, as amended by this Act, a person is not required  
2 to hold a license as an electronic access control device company or  
3 be registered as an electronic access control device installer, a  
4 locksmith company, or a locksmith before September 1, 2004.

5 SECTION 16. (a) Except as provided by Subsection (b) of  
6 this section, this Act takes effect September 1, 2003.

7 (b) Sections 1702.1025 and 1702.2225, Occupations Code, as  
8 added by this Act, take effect January 1, 2004.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1252 passed the Senate on May 15, 2003, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 30, 2003, by a viva-voce vote.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1252 passed the House, with amendment, on May 28, 2003, by a non-record vote.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor