

1-1 By: Driver, et al. (Senate Sponsor - Armbrister) H.B. No. 2304
1-2 (In the Senate - Received from the House May 10, 2005;
1-3 May 12, 2005, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 21, 2005, reported favorably, as
1-5 amended, by the following vote: Yeas 5, Nays 0; May 21, 2005, sent
1-6 to printer.)

1-7 COMMITTEE AMENDMENT NO. 1 By: Wentworth

1-8 Amend H.B. 2304 to read as follows:

1-9 (1) Amend Section 214.191, Local Government Code, by adding
1-10 a new subsection (3) to read as follows:

1-11 (3) "Third party verification" means the physical
1-12 inspection by a person of the site where an alarm system is located
1-13 to verify the validity of an alarm indication prior to notifying the
1-14 law enforcement agency.

1-15 (2) Amend SECTION 6. Section 214.199, Local Government
1-16 Code, to read as follows:

1-17 Sec. 214.199. EXCEPTION OF MUNICIPALITY FROM ALARM SYSTEM
1-18 RESPONSE. (a) Notwithstanding any other provision of this
1-19 section, a municipality may not adopt an ordinance or policy
1-20 providing that law enforcement personnel of the municipality will
1-21 not respond or will require a third party verification before
1-22 responding to any alarm signal indicated by an alarm system in the
1-23 municipality unless, before adopting the ordinance or policy, the
1-24 municipality:

1-25 (1) makes reasonable efforts to notify alarm users of
1-26 its intention to adopt the ordinance; and

1-27 (2) conducts a public hearing at which persons
1-28 interested in the response of the municipality to alarm systems are
1-29 given the opportunity to be heard.

1-30 (b) A municipality that adopts an ordinance or policy under
1-31 this section may not impose or collect any fine, fee, or penalty
1-32 otherwise authorized by this subchapter.

1-33 A BILL TO BE ENTITLED
1-34 AN ACT

1-35 relating to the regulation of alarm systems and alarm systems
1-36 companies; providing penalties.

1-37 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-38 SECTION 1. Section 214.194, Local Government Code, is
1-39 amended to read as follows:

1-40 Sec. 214.194. ~~[FEE FOR]~~ MUNICIPAL PERMIT FEE GENERALLY.

1-41 (a) If a municipality adopts an ordinance that requires a person to
1-42 pay an annual fee to obtain a permit from the municipality before
1-43 the person may use an alarm system in the municipality, the fee
1-44 shall be used for the general administration of this subchapter,
1-45 including the provision of responses generally required to
1-46 implement this subchapter other than specific responses to false
1-47 alarms.

1-48 (b) A municipal permit fee imposed under this section may
1-49 not exceed the rate of:

1-50 (1) \$50 a year for a residential location; or

1-51 (2) \$100 a year for a commercial location.

1-52 SECTION 2. The heading to Section 214.195, Local Government
1-53 Code, is amended to read as follows:

1-54 Sec. 214.195. NONRENEWAL OR REVOCATION OF PERMIT AND
1-55 TERMINATION OF MUNICIPAL RESPONSE; ~~[AND]~~ DISCRIMINATION
1-56 PROHIBITED.

1-57 SECTION 3. Sections 214.195(a) and (d), Local Government
1-58 Code, are amended to read as follows:

1-59 (a) Except as provided in Subsection (d) ~~[of this section]~~,
1-60 a municipality may not terminate its law enforcement response to a
1-61 residential or commercial permit holder because of excess false
1-62 alarms if the false alarm fees are paid in full.

2-1 (d) A municipality may revoke or ~~[set standards for systems~~
 2-2 ~~to be permitted and may]~~ refuse to renew the permit of an alarm
 2-3 system that has had eight or more false alarms during the preceding
 2-4 12-month period ~~[permit particular systems which in its discretion~~
 2-5 ~~have a history of unreliability]~~.

2-6 SECTION 4. Subchapter F, Chapter 214, Local Government
 2-7 Code, is amended by adding Section 214.1955 to read as follows:

2-8 Sec. 214.1955. MULTIUNIT HOUSING FACILITIES. (a) A
 2-9 municipality may not refuse to issue an alarm system permit for a
 2-10 residential location solely because the residential location is an
 2-11 individual residential unit located in a multiunit housing
 2-12 facility.

2-13 (b) In issuing an alarm system permit for an alarm installed
 2-14 in an individual residential unit of a multiunit housing facility,
 2-15 the municipality shall issue the permit to the person occupying the
 2-16 individual residential unit.

2-17 (c) A municipality may impose a penalty under Section
 2-18 214.197 for the signaling of a false alarm on the premises of a
 2-19 multiunit housing facility for a facility other than an individual
 2-20 residential unit only if the permit holder is notified of:

2-21 (1) the date of the signaling of the false alarm;
 2-22 (2) the address of the multiunit housing facility
 2-23 where the signaling of the false alarm occurred; and

2-24 (3) the identification of the individual facility, if
 2-25 applicable, located on the multiunit housing facility premises
 2-26 where the signaling of the false alarm occurred.

2-27 SECTION 5. Section 214.197, Local Government Code, is
 2-28 amended to read as follows:

2-29 Sec. 214.197. PENALTIES FOR FALSE ALARMS [PENALTY
 2-30 LIMITATIONS]. ~~[(a)]~~ A municipality may ~~[not]~~ impose a penalty ~~[or~~
 2-31 ~~fee]~~ for the signaling of a false alarm by a burglar alarm system ~~if~~
 2-32 ~~[unless]~~ at least three ~~[five]~~ other false alarms have occurred
 2-33 during the preceding 12-month period. The amount of the penalty for
 2-34 the signaling of a false alarm as described by Section 214.196 may
 2-35 not exceed:

2-36 (1) \$50, if the location has had more than three but
 2-37 fewer than six other false alarms in the preceding 12-month period;

2-38 (2) \$75, if the location has had more than five but
 2-39 fewer than eight other false alarms in the preceding 12-month
 2-40 period; or

2-41 (3) \$100, if the location has had eight or more other
 2-42 false alarms in the preceding 12-month period.

2-43 ~~[(b) A penalty or fee imposed for a false alarm must be~~
 2-44 ~~established by ordinance based on the type and level of emergency~~
 2-45 ~~response provided. This fee may not exceed \$50 in the case of the~~
 2-46 ~~category of burglar alarms. The penalty or fee for a false alarm~~
 2-47 ~~may not exceed the actual expenses incurred for the response.]~~

2-48 SECTION 6. Subchapter F, Chapter 214, Local Government
 2-49 Code, is amended by adding Sections 214.198-214.200 to read as
 2-50 follows:

2-51 Sec. 214.198. VERIFICATION. A municipality may require an
 2-52 alarm systems monitor to attempt to contact the occupant of the
 2-53 alarm system location twice before the municipality responds to the
 2-54 alarm signal.

2-55 Sec. 214.199. EXCEPTION OF MUNICIPALITY FROM ALARM SYSTEM
 2-56 RESPONSE. (a) The governing body of a municipality may not adopt
 2-57 an ordinance providing that law enforcement personnel of the
 2-58 municipality will not respond to any alarm signal indicated by an
 2-59 alarm system in the municipality unless, before adopting the
 2-60 ordinance, the governing body of the municipality:

2-61 (1) makes reasonable efforts to notify permit holders
 2-62 of its intention to adopt the ordinance; and

2-63 (2) conducts a public hearing at which persons
 2-64 interested in the response of the municipality to alarm systems are
 2-65 given the opportunity to be heard.

2-66 (b) A municipality that adopts an ordinance under this
 2-67 section may not impose or collect any fine, fee, or penalty
 2-68 otherwise authorized by this subchapter.

2-69 Sec. 214.200. PRIORITY OR LEVEL OF RESPONSE NOT AFFECTED;

3-1 LIABILITY OF MUNICIPALITY FOR NONRESPONSE. (a) Nothing in this
 3-2 subchapter:

3-3 (1) affects the priority or level of response provided
 3-4 by a municipality to a permitted location; or

3-5 (2) waives the governmental immunity provided by law
 3-6 for a municipality.

3-7 (b) A municipality that does not respond to an alarm signal
 3-8 is not liable for damages that may occur relating to the cause of
 3-9 the alarm signal.

3-10 SECTION 7. Subchapter L, Chapter 1702, Occupations Code, is
 3-11 amended by adding Sections 1702.286, 1702.287, and 1702.288 to read
 3-12 as follows:

3-13 Sec. 1702.286. DUTIES OF ALARM SYSTEMS COMPANY. (a) On the
 3-14 installation or activation of an alarm system, an alarm systems
 3-15 company shall distribute to the occupant of the alarm system
 3-16 location information summarizing:

3-17 (1) the applicable law relating to false alarms,
 3-18 including the potential for penalties and revocation or suspension
 3-19 of a permit;

3-20 (2) how to prevent false alarms; and

3-21 (3) how to operate the alarm system.

3-22 (b) An alarm systems company shall notify the municipality
 3-23 in which the alarm system is located of an installation or
 3-24 activation of an alarm system not later than the 30th day after the
 3-25 date of the installation or activation. The alarm systems company
 3-26 shall provide to the municipality:

3-27 (1) the alarm systems company name;

3-28 (2) the alarm systems company license number;

3-29 (3) the name of the occupant of the alarm system
 3-30 location;

3-31 (4) the address of the alarm system location; and

3-32 (5) the date of installation or activation.

3-33 (c) Information provided to a governmental body under this
 3-34 section is confidential and subject to disclosure only as provided
 3-35 under Section 1702.284.

3-36 (d) An alarm systems company commits an offense if the
 3-37 company violates Subsection (a) or (b). An offense under this
 3-38 subsection is a Class C misdemeanor.

3-39 (e) The duties imposed by this section on an alarm systems
 3-40 company do not apply to the installation or activation of a personal
 3-41 emergency response system, as defined under Section 1702.006.

3-42 Sec. 1702.287. DETECTION DEVICE CONTROL PANELS; MINIMUM
 3-43 STANDARDS. An alarm systems company may not install any alarm
 3-44 system on or after January 1, 2007, that includes a detection device
 3-45 control panel unless the control panel meets or exceeds the
 3-46 standards of the American National Standards Institute for false
 3-47 alarm reduction.

3-48 Sec. 1702.288. NOTICE OF CERTAIN INFORMATION TO RECIPIENT
 3-49 OF ALARM SYSTEM SERVICES. (a) The board shall adopt rules in
 3-50 accordance with this section that require a license holder acting
 3-51 as an alarm systems company under this chapter to inform each of the
 3-52 license holder's clients that the client is entitled to receive a
 3-53 written contract for alarm system services that contains the
 3-54 client's fee arrangement and other relevant information about
 3-55 services to be rendered.

3-56 (b) The rules shall require that a written contract for
 3-57 alarm system services shall be furnished to a client in accordance
 3-58 with Subsection (a) not later than the seventh day after the date
 3-59 the client requests the written contract.

3-60 (c) The rules shall require that the written contract for
 3-61 services shall be dated and signed by the owner or manager of an
 3-62 alarm systems company or a person expressly authorized by the owner
 3-63 or manager to sign written contracts on behalf of the company.

3-64 (d) The rules shall require that, not later than the seventh
 3-65 day after the date of entering into a contract for services
 3-66 regulated by the board with another alarm systems company or alarm
 3-67 systems monitor, an alarm systems company shall:

3-68 (1) notify the recipient of those services of the
 3-69 name, address, and telephone number, and individual to contact at

4-1 the company that purchased the contract;
4-2 (2) notify the recipient of services at the time the
4-3 contract is negotiated that another licensed company may provide
4-4 any of the services requested by subcontracting or outsourcing
4-5 those services; and

4-6 (3) if any of the services are subcontracted or
4-7 outsourced to a licensed third party, notify the recipient of
4-8 services, by mail, of the name, address, phone number, and license
4-9 number of the company providing those services.

4-10 (e) The rules shall require that notice provided to a
4-11 recipient of services under Subsection (d) shall:

4-12 (1) be mailed to the recipient in a written form that
4-13 emphasizes the required information; and

4-14 (2) include stickers or other materials to be affixed
4-15 to an alarm system indicating the alarm systems company's or alarm
4-16 systems monitor's new telephone number.

4-17 SECTION 8. Section 1702.286, Occupations Code, as added by
4-18 this Act, applies only to an alarm system installed or activated on
4-19 or after January 1, 2006.

4-20 SECTION 9. This Act takes effect September 1, 2005.

4-21

* * * * *