By: Pickett

H.B. No. 2118

	A BILL TO BE ENTITLED											
1	AN ACT											
2	relating to licensing and regulation of residential fire alarm											
3	technicians and regulation and installation of fire detection and											
4	alarm devices.											
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:											
6	SECTION 1. Section 2, Article 5.43-2, Insurance Code, is											
7	amended by amending Subdivision (8) and adding Subdivision (17) to											
8	read as follows:											
9	(8) "Monitoring" means the receipt of fire alarm and											
10	supervisory signals [and retransmission] or communication of those											
11	signals to a fire service communications center that is located in											
12	this state or serves property in this state.											
13	<u>(17) "Residential fire alarm technician" means a</u>											
14	licensed individual who is designated by a registered firm to											
15	install, service, inspect, and certify residential single-family											
16	or two-family fire alarm or detection systems.											
17	SECTION 2. Section 3, Article 5.43-2, Insurance Code, is											
18	amended by amending Subsection (b) and adding Subsections (d) and											
19	(e) to read as follows:											
20	(b) The licensing provisions of this article shall not apply											
21	to:											
22	(1) a person or organization in the business of											
23	building construction that installs electrical wiring and devices											
24	that may include in part the installation of a fire alarm or											

1 detection system if:

(A) the person or organization is a party to a contract that provides that the installation will be performed under the direct supervision of and certified by a licensed employee or agent of a firm registered to install and certify such an alarm or detection device and that the registered firm assumes full responsibility for the installation of the alarm or detection device; and

9 (B) the person or organization does not plan, 10 certify, lease, sell, service, or maintain fire alarms or detection 11 devices or systems;

(2) a person or organization that owns and installs fire detection or fire alarm devices on the person's or organization's own property or, if the person or organization does not charge for the device or its installation, installs it for the protection of the person's or organization's personal property located on another's property and does not install the devices as a normal business practice on the property of another;

(3) a person who holds a license or other form of permission issued by an incorporated city or town to practice as an electrician and who installs fire or smoke detection and alarm devices in no building other than a single family or multifamily residence if:

24			(A) the devices installed are:									
25				(i)		single	stati	on detector	(s;	or		
26				(ii)	multip	le st	ation dete	cto	rs ca	apable	of
27	being	connected	in	such	a	manner	that	actuation	of	one	detect	cor

1 causes all integral or separate alarms to operate, if the detectors 2 are not connected to a control panel or to an outside alarm, do not 3 transmit a signal off the premises, and do not use more than 120 4 volts; and

(B) all installations comply with provisions of
the adopted edition of [Household Fire Warning Equipment,] National
Fire Protection Association Standard No. <u>72</u> [74];

8 (4) a person or organization that sells fire detection 9 or fire alarm devices if the sales are exclusively over-the-counter 10 or by mail order and if the person or organization does not plan, 11 certify, install, service, or maintain this equipment;

12 (5) response to a fire alarm or detection device by a 13 law enforcement agency or fire department or by a law enforcement 14 officer or fireman acting in an official capacity;

15 (6) a Texas registered professional engineer acting16 solely in his professional capacity;

(7) a person or an organization that provides and installs at no charge to the property owners or residents a battery-powered smoke detector in a single-family or two-family residence if:

(A) the smoke detector bears a label of listing
 or approval by a testing laboratory approved by the State Board of
 Insurance;

(B) the installation complies with provisions of
the adopted edition of National Fire Protection Association
Standard No. <u>72</u> [74];

27 (C) the installers are knowledgeable in fire

1 protection and the proper use of smoke detectors; and

(D) the detector is a single station installation
and not a part of or connected to any other detection device or
system;

5 (8) <u>an</u> [a regular] employee of a registered firm who is
6 under the direct <u>on-site</u> supervision of a licensee;

7 a building owner, the owner's managing agent, or (9) 8 their employees who install battery-operated single-station smoke 9 detectors or who monitor fire alarm or fire detection devices or systems in the owner's building, and in which the monitoring is 10 performed at the owner's property and monitored at no charge to the 11 occupants of the building, and complies with applicable standards 12 of the National Fire Protection Association as may be adopted by 13 14 rule promulgated under this Act, and utilizes equipment approved by 15 a testing laboratory approved by the State Board of Insurance for fire alarm monitoring; 16

(10) a person employed by a registered firm that sells and installs a smoke or heat detector in a single-family or two-family residence if:

(A) the detector bears a label of listing or
approval by a testing laboratory approved by the State Board of
Insurance;

(B) the installation complies with provisions of
the adopted edition of National Fire Protection Association
Standard No. <u>72</u> [74];

(C) the installers are knowledgeable in fire
 protection and the proper use and placement of detectors; and

1 (D) the detector is a single station installation 2 and not a part of or connected to any other detection device or 3 system; or 4 a person or organization licensed to install or (11)5 service burglar alarms under Chapter 1702, Occupations Code, [the 6 Private Investigators and Private Security Agencies Act (Article 4413(29bb), Vernon's Texas Civil Statutes)] that provides and 7 8 installs in a single-family or two-family residence a combination keypad that includes a panic button to initiate a fire alarm signal 9 if the fire alarm signal: 10 is monitored by a fire alarm firm registered 11 (A) under this article; and 12 is not initiated by any fire or 13 (B) smoke detection device. 14 15 (d) A political subdivision may not require a registered firm, a licensee, or an employee of a registered firm to maintain a 16 17 business location or residency within that political subdivision to engage in a business or perform any activity authorized under this 18 19 article. (e) A municipality or county may by ordinance require a 20 21 registered firm to make a telephone call to a monitored property before the firm notifies the municipality or county of an alarm 22 signal received by the firm from a fire detection device. 23 24 SECTION 3. Section 5, Article 5.43-2, Insurance Code, is 25 amended by adding Subsection (c-1) to read as follows: (c-1) A residential fire alarm technician must obtain a 26 license issued by the board. The amount of the initial fee for the 27

1 license may not exceed \$50, and the amount of the annual license 2 renewal fee may not exceed \$50.

3 SECTION 4. Sections 5B(e) and (f), Article 5.43-2,
4 Insurance Code, are amended to read as follows:

(e) For a person who is licensed to install or service 5 6 burglar alarms under Chapter 1702, Occupations Code [the Private Investigators and Private Security Agencies Act, as amended 7 8 (Article 4413(29bb), Vernon's Texas Civil Statutes)], compliance 9 with the insurance requirements of that chapter [Act] constitutes compliance with the insurance requirements of this section if the 10 insurance held by the person complies with the requirements of this 11 12 section in amounts and types of coverage.

(f) For a person who is licensed to install or service burglar alarms under <u>Chapter 1702, Occupations Code</u> [the Private <u>Investigators and Private Security Agencies Act, as amended</u> (Article 4413(29bb), Vernon's Texas Civil Statutes)], compliance with the bond and insurance requirements of that <u>chapter</u> [Act] constitutes compliance with the bond and insurance requirements of this section.

20 SECTION 5. Section 5D, Article 5.43-2, Insurance Code, is 21 amended by adding Subsection (a-2) and amending Subsection (d) to 22 read as follows:

23 (a-2) An applicant for a residential fire alarm technician
 24 license must provide with the required license application evidence
 25 of the applicant's successful completion of the required
 26 instruction from a training school approved by the State Fire
 27 Marshal in accordance with this section.

The training curriculum for a residential fire alarm 1 (d) 2 technician course shall consist of at least eight hours of instruction on installing, servicing, and maintaining 3 4 single-family and two-family residential fire alarm systems as defined by National Fire Protection Association Standard No. 72 5 [The training curriculum for a fire alarm technician and a 6 residential fire alarm superintendent course shall consist of 16 7 hours of classroom instruction on all categories of licensure]. 8

9 SECTION 6. Article 5.43-2, Insurance Code, is amended by
10 adding Section 5G to read as follows:

11 <u>Sec. 5G. CONFIDENTIALITY OF RECORDS. Records maintained by</u> 12 <u>the department under this article on the home address, home</u> 13 <u>telephone number, driver's license number, or social security</u> 14 <u>number of an applicant or a license or registration holder are</u> 15 <u>confidential and are not subject to mandatory disclosure under</u> 16 <u>Chapter 552, Government Code.</u>

SECTION 7. Section 6A, Article 5.43-2, Insurance Code, is amended by adding Subsection (c) to read as follows:

19 (c) The commissioner may not adopt a rule to administer this
20 article that requires a person who holds a license under this
21 article to obtain additional certification that imposes a financial
22 responsibility on the licensee.

SECTION 8. Section 7, Article 5.43-2, Insurance Code, is amended by amending Subsection (b) and adding Subsection (f) to read as follows:

(b) Except as provided by Subsection (c), a political
subdivision may not offer [residential] alarm system sales,

service, installation, or monitoring unless it has been providing monitoring services [to residences] within the boundaries of the political subdivision as of September 1, 1999. Any fee charged by the political subdivision may not exceed the cost of the monitoring.

6 (f) A residential fire alarm technician may only provide 7 direct on-site supervision to an employee of a registered firm for 8 work performed under this article in a single-family or two-family 9 dwelling.

SECTION 9. Sections 9(d) and (e), Article 5.43-2, Insurance
Code, are amended to read as follows:

12 (d) No fire detection or fire alarm device may be sold or 13 installed in this state unless accompanied by printed information 14 supplied to the owner by the supplier or installing contractor 15 concerning:

16 (1) instructions describing the installation,
17 operation, testing, and proper maintenance of the device;

18 (2) information which will aid in establishing an
 19 emergency evacuation plan for the protected premises; [and]

(3) the telephone number and location, including
 notification procedures, of the nearest fire department; and

22 (4) information that will aid in reducing the number
23 of false fire alarms.

(e) Each registered firm that employs persons that are
exempt from the licensing provisions of this article pursuant to
Section 3(b)(10) of this article is required to appropriately train
and supervise such exempt persons so as to ensure that each

H.B. No. 2118 installation complies with the adopted provisions of National Fire 1 2 Protection Association Standard No. 72 [74] or other adopted standards, that each smoke or heat detector installed or sold 3 carries a label or listing of approval by a testing laboratory 4 5 approved by the State Board of Insurance, and that such exempt 6 persons are knowledgeable in fire protection and the proper use and 7 placement of detectors. SECTION 10. Subtitle A, Title 9, Health and Safety Code, is 8 9 amended by adding Chapter 766 to read as follows: CHAPTER 766. SMO<u>KE DETECTORS IN CERTAIN</u> 10 RESIDENTIAL DWELLINGS 11 12 Sec. 766.001. DEFINITIONS. In this chapter: (1) "One-family or two-family dwelling" means a 13 14 structure that has one or two residential units that are occupied 15 as, or designed or intended for occupancy as, a residence by individuals. 16 17 (2) "Smoke detector" has the meaning assigned by Section 792.001. 18 19 Sec. 766.002. RESPONSIBILITY OF TITLE INSURANCE OR CLOSING AGENT. A title insurance agent or other closing agent involved in 20 21 the transfer of title to a one-family or two-family dwelling is not, on sale or transfer of the dwelling, responsible for: 22 (1) verifying that the seller has complied with the 23 24 requirements of this chapter; or 25 (2) ensuring that the dwelling complies with the 26 requirements of this chapter. 27 Sec. 766.003. SMOKE DETECTOR REQUIRED. (a) Each

H.B. No. 2118 one-family or two-family dwelling must have a working smoke 1 2 detector installed in the dwelling in accordance with Subsection (b) if construction on the dwelling commences on or after January 1, 3 4 2008. If the dwelling is constructed before January 1, 2008, there must be a working smoke detector installed in the dwelling in 5 6 accordance with Subsection (b) before the owner of the dwelling may sell or otherwise transfer ownership of the dwelling to another 7 8 person. 9 (b) A smoke detector must be installed in accordance with the requirements of Sections 92.254, 92.255, and 92.257, Property 10 11 Code. (c) A residential fire alarm technician as defined by 12 Section 2, Article 5.43-2, Insurance Code, may install, service, 13 14 inspect, or certify a smoke detector required under this section. 15 Sec. 766.004. RULES. (a) The commissioner of insurance shall adopt rules requiring: 16 17 (1) each one-family or two-family dwelling the construction of which commences on or after January 1, 2008, to be 18 19 equipped with a smoke detector; and (2) each one-family or two-family dwelling the 20 21 ownership of which is sold or transferred on or after January 1, 22 2008, to be equipped with a smoke detector. (b) The rules adopted under Subsection (a) must prescribe 23 24 requirements relating to the placement, installation, maintenance, and number of smoke detectors required in a one-family or 25 26 two-family dwelling. Not later than March 1, 2008, SECTION 11. (a) 27 the

1 commissioner of insurance shall adopt the rules and forms necessary 2 to implement the changes in law made by this Act to Article 5.43-2, 3 Insurance Code.

H.B. No. 2118

4 (b) Notwithstanding Article 5.43-2, Insurance Code, a
5 residential fire alarm technician is not required to obtain a
6 license under that article before June 1, 2008.

SECTION 12. The commissioner of insurance shall adopt rules
under Section 766.004, Health and Safety Code, as added by this Act,
not later than December 1, 2007.

10

SECTION 13. This Act takes effect September 1, 2007.