

ASSEMBLY, No. 994

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblymen MORAN and IMPREVEDUTO

1 AN ACT concerning the regulation of locksmiths and burglar alarm,  
2 fire alarm, and electronic security businesses, supplementing Title  
3 52 of the Revised Statutes, and making an appropriation.

4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7

8 1. This act shall be known and may be cited as the "Burglar Alarm,  
9 Fire Alarm and Electronic Security Business and Locksmith  
10 Regulation Act."

11

12 2. As used in this act:

13 "Alarm business" means the installation, servicing or maintenance  
14 of burglar alarm, fire alarm or electronic security systems, or the  
15 monitoring or responding to alarm signals when provided in  
16 conjunction therewith. "Installation," as used in this definition,  
17 includes the survey of a premises, the design and preparation of the  
18 specifications for the equipment or system to be installed pursuant to  
19 a survey, the installation of the equipment or system, or the  
20 demonstration of the equipment or system after the installation is  
21 completed, but does not include any survey, design or preparation of  
22 specifications for equipment or for a system which is prepared by an  
23 engineer licensed pursuant to the provisions of P.L.1938, c.342  
24 (C.45:8-27 et seq.), or an architect licensed pursuant to the provisions  
25 of chapter 3 of Title 45 of the Revised Statutes if the survey, design,  
26 or preparation of specifications is part of a design for construction of  
27 a new building or premises or a renovation of an existing building or  
28 premises, which renovation includes components other than the  
29 installation of a burglar alarm, fire alarm or electronic security system,  
30 and further does not include the design or preparation of specifications  
31 for the equipment or system to be installed that are within the practice  
32 of professional engineering as defined in subsection (b) of section 2 of  
33 P.L.1938, c.342 (C.45:8-28).

34 "Burglar alarm" means a security system comprised of an  
35 interconnected series of alarm devices or components, including

1 systems interconnected with radio frequency signals, which emits an  
2 audible, visual or electronic signal indicating an alarm condition and  
3 providing a warning of intrusion, which is designed to discourage  
4 crime.

5 "Business firm" means a partnership, corporation or other business  
6 entity engaged in the alarm business or locksmithing services.

7 "Committee" means the Burglar, Fire Alarm and Locksmith  
8 Advisory Committee created by section 4 of this act.

9 "Director" means the Director of the Division of Fire Safety in the  
10 Department of Community Affairs.

11 "Electronic security" means a security system comprised of an  
12 interconnected series of devices or components, including systems  
13 with audio and video signals or other electronic systems, which emits  
14 or transmits an audible, visual or electronic signal warning of intrusion  
15 and provides notification of authorized entry or exit, which is designed  
16 to discourage crime.

17 "Fire alarm" means a security system comprised of an  
18 interconnected series of alarm devices or components, including  
19 systems interconnected with radio frequency signals, which emits an  
20 audible, visual or electronic signal indicating an alarm condition and  
21 provides a warning of the presence of smoke or fire: "Fire alarm" does  
22 not mean a system whose primary purpose is telecommunications with  
23 energy control, the monitoring of the interior environment being an  
24 incidental feature thereto.

25 "Licensed locksmith" means a person who engages in locksmithing  
26 services who has met the eligibility requirements contained in  
27 subsection b. of section 7 of this act and has been duly licensed under  
28 this act.

29 "Licensed locksmith apprentice" means a person who provides  
30 locksmithing services to the public for compensation, who has met the  
31 eligibility requirements contained in subsection c. of section 7 of this  
32 act and has been duly licensed under this act.

33 "Licensee" means a person licensed to engage in the alarm business  
34 or in the occupation of locksmith or locksmith apprentice pursuant to  
35 the provisions of this act.

36 "Locksmithing services" means the modification, recombination,  
37 repair or installation of mechanical locking devices and electronic  
38 security systems for any type of compensation and includes the  
39 following: repairing, rebuilding, recoding, servicing, adjusting,  
40 installing, manipulating or bypassing of a mechanical or electronic  
41 locking device, for controlled access or egress to premises, vehicles,  
42 safes, vaults, safe doors, lock boxes, automatic teller machines or  
43 other devices for safeguarding areas where access is meant to be  
44 limited; operating a mechanical or electronic locking device, safe or  
45 vault by means other than those intended by the manufacturer of such  
46 locking devices, safes or vaults; or consulting and providing technical

1 advice regarding selection of hardware and locking systems of  
2 mechanical or electronic locking devices and electronic security  
3 systems.

4

5 3. The director shall:

6 a. Administer and enforce the provisions of this act;

7 b. Within 90 days following the effective date of this act, and as  
8 necessary thereafter, promulgate, in consultation with the committee,  
9 rules and regulations pursuant to the "Administrative Procedure Act,"  
10 P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes of  
11 this act;

12 c. Examine and pass on the qualifications of all applicants for a  
13 license under this act and issue a license to each qualified applicant;

14 d. Maintain a record of all applicants for a license, showing for  
15 each the date of application, name, age, qualifications, place of  
16 business and place of residence, and whether the application was  
17 rejected or a license granted, and the date of such action;

18 e. Establish, in consultation with the committee, professional  
19 standards for licensees and employees;

20 f. Exercise any investigative powers and impose any of the  
21 penalties provided in sections 21 through 27 of this act, as necessary  
22 or appropriate;

23 g. Conduct hearings pursuant to the "Administrative Procedure  
24 Act," P.L.1968, c.410 (C.52:14B-1 et seq.);

25 h. Conduct proceedings before any court of competent jurisdiction  
26 for the enforcement of the provisions of this act;

27 i. Annually publish a list of the names, places of business and  
28 residences of all licensees;

29 j. Establish and revise the charges for licenses, license renewals,  
30 and other services performed;

31 k. Establish classifications, after consulting with the committee, in  
32 order to regulate the different disciplines of work regulated under this  
33 act;

34 l. Establish standards, in consultation with the committee, for  
35 continuing occupational competency in locksmithing services; and

36 m. Be empowered to do such other things as may be necessary to  
37 effectuate the purposes of this act.

38

39 4. In order to advise the director in the administration of the  
40 provisions of this act, there is created in the Division of Fire Safety in  
41 the Department of Community Affairs, a Burglar, Fire Alarm and  
42 Locksmith Advisory Committee. The committee shall be comprised  
43 of 13 members to be appointed by the Governor, with the advice and  
44 consent of the Senate, for terms of three years, except that of the  
45 members first appointed, four shall serve for one year, five shall serve  
46 for two years and four shall serve for three years. Two members of

1 the committee shall have been engaged, on a full-time basis, in the  
2 alarm business for at least five consecutive years immediately  
3 preceding their appointments, shall be members of the New Jersey  
4 Burglar and Fire Alarm Association and, except for the members first  
5 appointed, shall be licensed under the provisions of this act; one  
6 committee member shall be a member of the Division of State Police,  
7 one shall be a municipal fire prevention officer, one shall be a  
8 municipal crime prevention officer, one shall be a municipal fire  
9 sub-code official, one shall be a municipal building inspector, one shall  
10 be a member of the Automatic Fire Alarm Association of New Jersey  
11 who shall have been engaged, on a full-time basis, in the alarm  
12 business for at least five consecutive years immediately preceding  
13 appointment and, except for the member first appointed, shall be  
14 licensed under the provisions of this act, two shall be members of a  
15 duly recognized professional locksmith association in New Jersey who  
16 shall have been engaged on a full-time basis, as practicing locksmiths  
17 for at least five consecutive years immediately preceding appointment  
18 and, except for the members first appointed, shall be licensed under the  
19 provisions of this act, one shall be a member of the New Jersey  
20 Burglar and Fire Alarm Association and a member of a duly  
21 recognized locksmith association in New Jersey who shall have been  
22 engaged on a full-time basis in the alarm business for at least five  
23 consecutive years immediately preceding appointment and, except for  
24 the member first appointed, shall be licensed to engage in the alarm  
25 business under the provisions of this act, one shall be a member of a  
26 duly recognized locksmith association in New Jersey and a member of  
27 the New Jersey Burglar and Fire Alarm Association who shall have  
28 been engaged on a full-time basis as a practicing locksmith for at least  
29 five consecutive years immediately preceding appointment and, except  
30 for the member first appointed, shall be licensed to engage in the  
31 occupation of locksmith under the provisions of this act, and one shall  
32 be a public member and resident of the State without any association  
33 with the alarm business or the occupation of locksmith.

34 Each member shall hold office for the term of appointment and until  
35 his successor is appointed and qualified. A member is eligible to be  
36 reappointed to the committee. A member appointed to fill a vacancy  
37 occurring in the membership of the committee for any reason other  
38 than the expiration of the term shall have a term of appointment for the  
39 unexpired term only. All vacancies shall be filled in the same manner  
40 as the original appointment.

41

42 5. a. No person shall advertise that he is authorized to engage in  
43 or engage in the alarm business or otherwise engage in the installation,  
44 service or maintenance of burglar alarm, fire alarm or electronic  
45 security systems unless he satisfies the requirements of this act.

46 b. No person shall represent himself as qualified to engage in the

1 occupation of locksmith or locksmith apprentice unless he is licensed  
2 as a locksmith or locksmith apprentice, as the case may be, in  
3 accordance with the provisions of this act.

4

5 6. a. Application for a license to engage in the alarm business or  
6 to engage in the occupation of locksmith or locksmith apprentice, as  
7 the case may be, shall be made to the director in the manner and on the  
8 forms as the director may prescribe.

9 (1) An application to engage in the alarm business shall include the  
10 name, age, residence, present and previous occupations of the  
11 applicant, and, in the case of a business firm engaged in the alarm  
12 business, of each member, officer or director thereof; the name of the  
13 municipality and the location therein by street number or other  
14 appropriate description of the principal place of business and the  
15 location of each branch office.

16 (2) An application to engage in the occupation of locksmith or  
17 locksmith apprentice shall include the name, residence and principal  
18 business address of the applicant, or in the case of an employee, the  
19 principal business address of his employer.

20 b. Every applicant shall submit to the director, together with the  
21 application, his photograph, in passport size, a list of all criminal  
22 offenses of which he has been convicted, setting forth the date and  
23 place of each conviction and the name under which he was convicted,  
24 if other than that on the application, and fingerprints of his two hands  
25 taken on standard fingerprint cards by a State or municipal law  
26 enforcement agency. Before approving an application, the director  
27 shall submit the fingerprints of the applicant to the Division of State  
28 Police in the Department of Law and Public Safety, for comparative  
29 analysis. The director is authorized to exchange fingerprint data with  
30 and receive criminal history record information from the Division of  
31 State Police and the Federal Bureau of Investigation for use in making  
32 the determinations required by this act. The applicant shall bear the  
33 cost for the criminal history record check. No license shall be issued  
34 to any applicant whose license has been revoked under the provisions  
35 of this act within five years of the date of filing of an application.

36 c. If an applicant files with the director fingerprints of a person  
37 other than the applicant, he shall be guilty of a crime of the fourth  
38 degree and shall have his license application denied or license revoked.

39 d. The director may require other information of the applicant and,  
40 if the applicant is proposing to qualify a business firm, of the business  
41 firm to determine the professional competence and integrity of the  
42 concerned parties.

43

44 7. a. An applicant seeking licensure to engage in the alarm  
45 business shall:

46 (1) Be at least 18 years of age;

- 1 (2) Meet qualifications established by the director regarding  
2 experience, financial responsibility and integrity; and
- 3 (3) Establish his qualifications to perform and supervise various  
4 phases of alarm installation, service and maintenance as evidenced by  
5 successful completion of an examination to be prescribed by the  
6 director, in consultation with the committee, except that any person  
7 engaged in the alarm business on the effective date of this act and  
8 filing an application within 120 days following the operative date of  
9 this act, shall not be required to submit evidence of the successful  
10 completion of the examination requirement provided that they show  
11 proof of 40 hours of technical training approved by the director upon  
12 the advice of the committee. No examination requirement shall apply  
13 to any person providing evidence of having been engaged in the alarm  
14 business for at least one year prior to the effective date of this act.
- 15 b. An applicant seeking licensure as a locksmith shall:
- 16 (1) Be at least 18 years of age;
- 17 (2) Be of good moral character, and not have been convicted of a  
18 crime of the first, second or third degree within 10 years prior to the  
19 filing of the application;
- 20 (3) Present evidence to the director of having successfully  
21 completed any training requirements established by the director by  
22 regulation; and
- 23 (4) Successfully complete any written examination administered or  
24 approved by the director to determine the applicant's competence to  
25 engage in the occupation of locksmith, except that no examination  
26 requirement shall apply to any person engaged in the occupation of  
27 locksmith who has been engaged in the occupation of locksmith for at  
28 least one year prior to the effective date of this act and who files an  
29 application within 120 days following the operative date of this act.
- 30 c. An applicant seeking licensure as a locksmith apprentice shall:
- 31 (1) Be of good moral character, and not have been convicted of a  
32 crime of the first, second or third degree within 10 years prior to the  
33 filing of the application;
- 34 (2) Present evidence to the director of having successfully  
35 completed any training requirements established by the director by  
36 regulation; and
- 37 (3) Successfully complete any written examination administered or  
38 approved by the director to determine the applicant's competence to  
39 engage in the occupation of locksmith apprentice.
- 40
- 41 8. The provisions of this act regarding the practice of locksmithing  
42 services shall not apply to:
- 43 a. The activities of any person performing public emergency  
44 services for a governmental entity if that person is operating under the  
45 direction or control of the organization by which he is employed;
- 46 b. The activities of any sales representative who is offering a sales

1 demonstration to licensed locksmiths or locksmith apprentices;

2 c. The activities of any automotive service dealer or lock  
3 manufacturer, or their agent or employee, while servicing, installing,  
4 repairing, or rebuilding locks from a product line utilized by that  
5 dealer or lock manufacturer;

6 d. The activities of any member of a trade union hired to install any  
7 mechanical locking device as part of a new building construction or  
8 renovation project; and

9 e. The activities of any person using any key duplicating machine  
10 or key blanks, except for keys marked "do not duplicate" or "master  
11 key."

12

13 9. Notwithstanding any other provision of this act to the contrary,  
14 the director shall, upon application with submission of satisfactory  
15 proof and payment of the prescribed fee, within six months following  
16 the effective date of this act, issue a locksmith license to: a. any person  
17 who has successfully completed a locksmith apprentice program which  
18 has been approved by the Bureau of Apprenticeship and Training of  
19 the United States Department of Labor; or b. any person who has  
20 been engaged full-time in the occupation of locksmith for at least three  
21 years immediately prior to the date of his application for a locksmith  
22 license.

23

24 10. a. When an individual seeking licensure to engage in the alarm  
25 business or the occupation of locksmith proposes to do business in his  
26 own name, he shall so state on the license application, and the license,  
27 if granted, shall be issued only to that individual.

28 b. If the applicant is proposing to qualify a business firm, the  
29 application shall also state the name or names of the partnership and  
30 its partners, or of the corporation and its officers and directors, or of  
31 such other business firm and its members. The application shall show  
32 that the person applying for the license is legally qualified to act for  
33 the business firm in all matters connected with its alarm business or its  
34 locksmithing services, as the case may be, and that he has authority  
35 to supervise the work undertaken by the business firm. The license,  
36 when issued upon application to qualify a business firm, shall be in the  
37 name of the business firm, with the name of the qualified individual  
38 noted thereon.

39 c. (1) In the case of a business firm, at least one individual legally  
40 qualified to act for and supervise the work performed by the business  
41 firm in matters connected with the alarm business or locksmithing  
42 services, as the case may be, shall be licensed under this act in order  
43 for the business firm to continue in the alarm business or in providing  
44 locksmithing services. If that individual so qualified and licensed  
45 ceases to be affiliated with the business firm in that capacity, the  
46 business firm shall, in writing, so inform the director within 30 days of

1 the termination of affiliation, and shall within 45 days following  
2 termination, requalify for a license pursuant to subsection b. of this  
3 section. No business firm shall continue in the alarm business or in  
4 providing locksmithing services after expiration of the 45 day period,  
5 unless a new license has been issued.

6 (2) When a licensee qualified as a business firm proposes to  
7 affiliate with another licensee qualified as the same type of business  
8 firm, the licensee shall so inform the director and submit his license  
9 thereto, and shall apply for a new license in accordance with  
10 subsection b. of this section. A license issued pursuant to this act shall  
11 not be transferable.

12 d. Licenses shall be issued to qualified applicants seeking licensure  
13 to engage in the alarm business or as a locksmith or locksmith  
14 apprentice for a three-year period, upon payment of a filing fee.  
15 License renewals shall be issued for a three-year period upon the  
16 payment of a renewal fee. A renewal application shall be filed with the  
17 director at least 45 days prior to expiration of a license.

18

19 11. a. Licenses shall be in a form prescribed by the director.

20 b. In addition to any other information required by the director, a  
21 license shall set forth the full name of the applicant, the alarm or  
22 locksmithing services business name under which the applicant is  
23 authorized to operate, the location of the principal office of the alarm  
24 or locksmithing services business and the location of each branch  
25 office for which the license is issued, the issuance and expiration dates  
26 of the license, and any other information required by the director. In  
27 the event of any change in the partners, officers, directors or members  
28 of the business firm, any change in the address of any branch office or  
29 principal office of the business, or if the licensee ceases to be affiliated  
30 with the business firm, the director shall be notified in writing of the  
31 change within 30 days thereafter. Failure to give proper notification  
32 shall be sufficient cause for revocation of the license.

33

34 12. Except in the case of an employee licensed as a locksmith or  
35 locksmith apprentice, before a licensee exercises any rights under the  
36 license issued to him, the license, or a certified copy thereof, shall be  
37 posted and, at all times thereafter while the license is in force, be  
38 displayed in a conspicuous place in the principal office and in each  
39 branch office for which it is issued. In the event that any license or  
40 certified copy thereof issued by the director is lost or destroyed, notice  
41 of the loss or destruction shall be given to the director immediately,  
42 and the director may issue a duplicate or certified copy thereof. Upon  
43 written application to the director setting forth a change in the location  
44 of any branch office or principal place of business of the licensee as set  
45 forth in the license, the director may authorize the change, in which  
46 case the licensee shall surrender to the director his license and all

1 copies thereof, and the director may either endorse thereon the change  
2 or issue a new license as of the same date as the original license in lieu  
3 of the license so surrendered. Appropriate fees therefor shall be  
4 established by the director.

5  
6 13. a. No licensee qualified under the provisions of this act shall  
7 engage in the alarm business or in the practice of locksmithing  
8 services, unless the licensee:

9 (1) Maintains at least one business office within the State or files  
10 in the office of the director a statement, duly executed and sworn to  
11 before a person authorized by the laws of this State to administer  
12 oaths, containing a power of attorney constituting the director the true  
13 and lawful attorney of the licensee upon whom all original process in  
14 an action or legal proceeding against the licensee may be served and  
15 in which the licensee agrees that the original process that may be  
16 served upon the director shall be of the same force and validity as if  
17 served upon the licensee and that the authority thereof shall continue  
18 in force so long as the licensee engages in the alarm business or in the  
19 practice of locksmithing services, as the case may be, in this State;

20 (2) Clearly marks the outside of each installation and service  
21 vehicle to be used in conjunction with the alarm business with the  
22 alarm business name or the outside of each installation and service  
23 vehicle to be used in conjunction with locksmithing services with the  
24 locksmithing services name;

25 (3) Maintains an emergency service number attended to on a  
26 24-hour basis and responds appropriately to emergencies on a 24-hour  
27 basis when engaged in the alarm business; and

28 (4) Retains at all times general liability insurance in an amount  
29 determined by the director and insurance coverage or a surety bond in  
30 favor of the State of New Jersey in the sum of \$1,000, executed by a  
31 surety company authorized to transact business in the State of New  
32 Jersey and which is approved by the Department of Insurance, and  
33 which is to be conditioned on the faithful performance of the  
34 provisions of this act. The director shall by rule or regulation provide  
35 who shall be eligible to receive the financial protection afforded by  
36 such bond and the bond shall be in full force and effect for the term of  
37 the license issued.

38 b. Except in the case of an employee licensed as a locksmith or  
39 locksmith apprentice, no licensed locksmith or locksmith apprentice  
40 shall engage in locksmithing services unless that licensee maintains at  
41 least one business office within the State.

42  
43 14. No person shall be employed by a licensee to install, service or  
44 maintain a burglar alarm, fire alarm or electronic security system or,  
45 except in the case of a licensee, shall otherwise engage in the  
46 installation, service or maintenance thereof;

- 1       a. Unless the person is of good moral character; and
- 2       b. Where the work is to be performed other than under the field
- 3 supervision of a licensee or a person qualified pursuant to the
- 4 provisions of this section, unless the person shall have at least three
- 5 years of practical experience and shall have successfully completed a
- 6 course of study or a competency examination prescribed by the
- 7 director, in consultation with the committee; except that an employee
- 8 employed in the installation, servicing or maintenance of burglar alarm,
- 9 fire alarm or electronic security systems by a license applicant filing an
- 10 application within 120 days of the operative date of this act and
- 11 identified as an employee on the application, shall not be required to
- 12 satisfy the competency requirements of this subsection, until the first
- 13 renewal of the employee's identification card.

14

15       15. Within 14 days of employing a person in connection with an

16 alarm business or as a locksmith or locksmith apprentice, a licensee

17 shall notify the director and shall provide him with the employee's

18 photograph, in passport size, fingerprints of the employee's two hands

19 taken on standard fingerprint cards by a State or municipal law

20 enforcement agency, a list of all criminal offenses, supplied by the

21 employee, of which the employee has been convicted, setting forth the

22 date and place of each conviction, and the name under which the

23 employee was convicted, if other than that given in the written

24 notification to the director, and, if the work of the employee is not to

25 be directly supervised, evidence of practical experience and

26 professional competence in accordance with the requirements of

27 subsection b. of section 14 of this act.

28       If a licensee knowingly falsifies any information required by the

29 director, the licensee shall be guilty of a crime of the fourth degree and

30 shall have his license revoked therefor by the director.

31       After confirming the information provided on an employee with the

32 Division of State Police in the Department of Law and Public Safety

33 and conducting such other investigations as may be necessary, the

34 director shall, if he determines that an employee who is subject to the

35 requirements of section 14 of this act and who fails to satisfy those

36 requirements, advise the licensee forthwith of the employee's unfitness

37 and require immediate termination of employment. The director is

38 authorized to exchange fingerprint data with and receive criminal

39 history record information from the Division of State Police and the

40 Federal Bureau of Investigation for use in making the determinations

41 required by this act. The employer shall bear the cost for the criminal

42 history record check pursuant to this section. Employees hired by an

43 alarm business through a recognized trade union on a temporary basis

44 not to exceed six months or one project, whichever is greater, are

45 exempt from the requirements of this section.

1       16. Every licensee and every employee or other person engaged in  
2 the unsupervised installation, servicing or maintenance of burglar  
3 alarm, fire alarm or electronic security systems shall, at all times  
4 during working hours, display an identification card issued by the  
5 director. The identification card shall contain the following  
6 information:

7       a. The name, photograph and signature of the person to whom the  
8 card has been issued;

9       b. The business name and address and license number of the  
10 licensee;

11       c. The expiration date of the card; and

12       d. Such other information as the director deems appropriate for  
13 identification purposes.

14

15       17. Identification cards shall be issued for a three-year period  
16 which, in the case of a licensee, shall correspond to the term of the  
17 license period of the licensee. Application for renewal of an  
18 identification card for other than a licensee shall be made by the person  
19 named on the card at least 45 days prior to the expiration date of the  
20 card. The information provided on the identification card shall at all  
21 times be current, and the named holder of the card shall advise the  
22 director of any changes and file for issuance of an updated card within  
23 five days following occurrence of a change, which card shall be issued  
24 for the unexpired term of the original card.

25       Identification cards shall not be transferable in the event of a change  
26 in employment.

27       The director shall prescribe the manner of, and the forms and fees  
28 for filing for identification cards.

29

30       18. A licensee shall be responsible for any unlawful or  
31 unprofessional conduct by an employee, except that the conduct shall  
32 not be a cause for suspension or revocation of a license, unless the  
33 director determines that the licensee had knowledge thereof, or there  
34 is shown to have existed a pattern of unlawful or unprofessional  
35 conduct.

36

37       19. A licensee engaged in the alarm business shall maintain, on a  
38 form prescribed by the director, a record of the name and address of  
39 each purchaser of a burglar alarm, fire alarm or electronic security  
40 system that was installed by the licensee, where it was installed, the  
41 name and business address of the licensee, and other information  
42 required by the director. These records shall be maintained by the  
43 licensee for a period of time determined by the director by regulation.

44

45       20. a. Any licensed locksmith who knowingly and willfully opens  
46 any locking or security devices for another by any method, whether or

1 not for compensation, shall obtain the street address of the residence  
2 or commercial establishment, and the signature of the person for whom  
3 the residence or commercial establishment was opened, on a work  
4 order form, and shall include the following information regarding the  
5 person requesting entry to the residence or commercial property:  
6 name, address, telephone number, date of birth, and driver's license  
7 number or other identification. A copy of each work order shall be  
8 retained by the locksmith, or in the case that the locksmith is an  
9 employee, by the business firm employing the locksmith, for three  
10 years, and shall include the name and permit number of the licensed  
11 locksmith performing the service, and shall be available for inspection  
12 by any law enforcement officer or by the director during business  
13 hours, or submitted to the Division of Fire Safety upon request.

14 b. Any licensed locksmith who opens a motor vehicle or personal  
15 property registered under the vehicle code for another by any method,  
16 whether or not for compensation, shall obtain the name, address,  
17 telephone number, if any, and driver's license number or other  
18 identification of the person requesting entrance, and the registration  
19 number of the vehicle or personal property, registered under the  
20 vehicle code for which entrance is requested. This information, along  
21 with the date the service was performed, and the signature of the  
22 person requesting entrance, shall be set forth on a work order. A copy  
23 of each work order form shall be retained for three years by the  
24 locksmith, or by the business firm employing the locksmith if the  
25 locksmith is an employee. The work order form shall include the name  
26 and permit number of the licensed locksmith performing the service,  
27 and shall be available for inspection by any law enforcement officer or  
28 by the director upon request.

29

30 21. The director may refuse to admit a person to examination, or  
31 may refuse to issue, or may suspend or revoke any license or  
32 employee's identification card issued under this act, or may impose  
33 alternative penalties or pursue any civil remedy, if the applicant,  
34 licensee, or holder of an employee's identification card:

35 a. Has obtained a license or employee's identification card, or  
36 authorization to sit for an examination, as the case may be, through  
37 fraud, deception or misrepresentation;

38 b. Has engaged in the use or employment of dishonesty, fraud,  
39 deception, misrepresentation, false promise or false pretense;

40 c. Has engaged in gross negligence, gross malpractice or gross  
41 incompetence;

42 d. Has engaged in repeated acts of negligence, malpractice or  
43 incompetence;

44 e. Has engaged in occupational misconduct as defined in  
45 regulations promulgated pursuant to this act;

46 f. Has been convicted of any crime relating adversely to his

1 activities in an alarm business or as a locksmith or locksmith  
2 apprentice. For the purpose of this subsection a plea of guilty, non  
3 vult, nolo contendere or any similar disposition of alleged criminal  
4 activity is deemed a conviction;

5 g. Has had his authority to engage in the activities of an alarm  
6 business or as a locksmith or locksmith apprentice revoked or  
7 suspended by any other state, agency or authority for reasons  
8 consistent with this section;

9 h. Has violated or failed to comply with the provisions of any act  
10 or regulation administered by the director;

11 i. Is incapable, for medical or any other good cause, of discharging  
12 the functions of a licensee or holder of any employee's identification  
13 card in a manner consistent with the public health, safety and welfare;  
14 or

15 j. Has violated any of the provisions of this act, including  
16 permitting a license or identification card to be used by another  
17 person.

18

19 22. Whenever it shall appear to the director that a person has  
20 engaged in, or is engaging in any act or practice declared unlawful by  
21 this act or a regulation promulgated pursuant to this act, or when the  
22 director shall deem it to be in the public interest to inquire whether any  
23 violation may exist, the director may exercise any of the following  
24 investigative powers:

25 a. Require any person to file on such form as may be prescribed, a  
26 statement or report in writing under oath, or otherwise, as to the facts  
27 and circumstances concerning the rendition of any service or conduct,  
28 or to the discharge of any act or practice subject to this act or a  
29 regulation promulgated pursuant to it by the director;

30 b. Examine under oath any person in connection with any act or  
31 practice subject to this act or a regulation promulgated pursuant to it  
32 by the director;

33 c. Inspect any premises from which an alarm business or  
34 locksmithing services is conducted;

35 d. Examine any goods, ware or item used in the rendition of an  
36 alarm business or in the practice of locksmithing services;

37 e. Examine any record, book, document, account or paper  
38 maintained by or for an alarm or locksmithing services business or  
39 licensee regulated under this act in the regular course of that business;

40 f. For the purpose of preserving evidence of an unlawful act or  
41 practice, pursuant to an order of the Superior Court, Law Division,  
42 impound any record, book, document, account, paper, goods, ware,  
43 or item used or maintained by or for any licensee regulated under this  
44 act or alarm or locksmithing services business in the regular course of  
45 that business. In such cases as may be necessary, the Superior Court,  
46 Law Division may, on application of the director, issue an order

1 sealing items or materials subject to this subsection.

2 In order to accomplish the objectives of this act or any regulation  
3 promulgated pursuant to this act, the director may hold such  
4 investigative hearings as may be necessary and may issue subpoenas to  
5 compel the attendance of any person or the production of books,  
6 records or papers of any person, or the production of books, records  
7 or papers at any hearing or inquiry.

8

9 23. If any person fails or refuses to file any statement or report or  
10 refuses access to premises from which an alarm business or  
11 locksmithing services is conducted in any lawfully conducted  
12 investigative matter or fails to obey a subpoena issued pursuant to this  
13 act, the director may apply to the Superior Court, Law Division and  
14 obtain an order:

15 a. Adjudging the person in contempt of court;

16 b. Granting other relief as may be required; or

17 c. Suspending the license or identification card of the person until  
18 compliance with the subpoena or investigative demand is affected.

19

20 24. If any person refuses to testify or produce any book, paper, or  
21 other document in any proceeding under this act for the reason that the  
22 testimony or evidence, documentary or otherwise, required of him may  
23 tend to incriminate him, convict him of a crime, or subject him to a  
24 penalty or forfeiture, and shall, notwithstanding, be directed to testify  
25 or to produce the book, paper or document by the director, he shall  
26 comply with the direction. No action shall be taken by the director  
27 pursuant to this section without the approval of the Attorney General.

28 A person who is entitled by law to, and does assert his privilege not  
29 to testify or respond, and who complies with the direction of the  
30 director shall not thereafter be prosecuted or subjected to any penalty  
31 or forfeiture in any criminal proceeding which arises out of and relates  
32 to the subject matter of the proceeding. No person so testifying is  
33 exempt from prosecution or punishment for perjury or false swearing  
34 committed by him in giving testimony or from any civil or  
35 administrative action arising from the testimony.

36

37 25. In addition or as an alternative, as the case may be, to  
38 revoking, suspending or refusing to renew any license or employee's  
39 identification card, the director may, after affording an opportunity to  
40 be heard:

41 a. Issue a letter of warning, reprimand or censure with regard to  
42 any act, conduct or practice which in the judgment of the director does  
43 not warrant the initiation of formal action;

44 b. Assess civil penalties in accordance with this act;

45 c. Order any person violating any provision of this act or a  
46 regulation promulgated pursuant to it, to cease and desist from future

1 violations thereof or to take such affirmative corrective action as may  
2 be necessary with regard to any act or practice found unlawful by the  
3 director;

4 d. Order any person found to have violated any provision of this  
5 act or a regulation promulgated pursuant to it, to restore to any person  
6 aggrieved by an unlawful act or practice, any moneys or property, real  
7 or personal, acquired by means of that act or practice; except that no  
8 restoration shall be ordered in a dollar amount greater than those  
9 moneys received by a licensee, alarm business, or its agent or any  
10 other person violating this act or regulation promulgated pursuant to  
11 it;

12 e. Order any person, as a condition of continued, reinstated or  
13 renewed licensure or use of an identification card, to secure medical  
14 or other professional treatment which may be necessary to properly  
15 discharge the functions of a licensee or holder of an identification card.

16 The director may, upon a duly verified complaint alleging an act or  
17 practice violating any provision of this act or a regulation promulgated  
18 pursuant to it, enter a temporary order suspending or limiting any  
19 license or identification card pending a plenary hearing on an  
20 administrative complaint; except that no temporary order may be  
21 entered unless the complaint demonstrates a clear and imminent danger  
22 to the public health, safety and welfare and notice of the complaint is  
23 given to the licensee or holder of the identification card affected by the  
24 order.

25 In any administrative proceeding commenced on a complaint  
26 alleging a violation of this act or a regulation promulgated pursuant to  
27 it, the director may issue subpoenas to compel the attendance of  
28 witnesses or the production of books, records or documents at the  
29 hearing on the complaint.

30

31 26. Any person violating any provision of this act or a regulation  
32 administered pursuant to it, in addition to any other sanctions provided  
33 in this act, is liable to a civil penalty of not more than \$2,500 for the  
34 first offense and not more than \$5,000 for each subsequent offense.  
35 For the purpose of construing this section, each transaction or  
36 statutory violation shall constitute a separate offense; except that a  
37 second or subsequent offense is not deemed to exist unless an  
38 administrative or court order has been entered in a prior, separate, and  
39 independent proceeding. In lieu of an administrative proceeding or an  
40 action in Superior Court, Law Division, the director may bring an  
41 action for the collection or enforcement of civil penalties for the  
42 violation of any provisions of this act or a regulation promulgated  
43 pursuant to it. The action may be brought in summary manner  
44 pursuant to "the penalty enforcement law," N.J.S.2A:58-1 et seq. and  
45 the rules of court governing actions for the collection of civil penalties  
46 in the municipal court or the Superior Court where the offense

1 occurred. Process in the action may be by summons or warrant and if  
2 the defendant in the action fails to answer the action, the court shall,  
3 upon finding an unlawful act or practice to have been committed by  
4 the defendant, issue a warrant for the defendant's arrest in order to  
5 bring the person before the court to satisfy the civil penalties imposed.  
6 In any action commenced pursuant to this section, the court may order  
7 restored to any person in interest any moneys or property acquired by  
8 means of an unlawful act or practice. In any action brought pursuant  
9 to this act, the director or the court, as appropriate, may order the  
10 payment of costs for the use of the State.

11

12 27. A licensee or holder of an employee's identification card shall  
13 surrender a suspended or revoked license or card to the director within  
14 72 hours following receipt of a written or personal notice to do so.

15

16 28. The director, after consultation with the committee, shall  
17 require each person licensed as a locksmith, as a condition of triennial  
18 registration pursuant to subsection d. of section 10 of this act, to  
19 complete 40 credits of continuing locksmith education during each  
20 triennial registration period.

21

22 29. a. The director, after consultation with the committee, shall:

23 (1) Establish standards for continuing locksmith education,  
24 including the subject matter and content of courses of study;

25 (2) Approve educational programs offering credit for continuing  
26 locksmith education; and

27 (3) Approve other equivalent educational programs, including, but  
28 not limited to, components offered by appropriate professional  
29 locksmith organizations and manufacturers of locksmith products  
30 recognized by the director, and shall establish procedures for the  
31 issuance of credit upon satisfactory proof of the completion of these  
32 programs.

33 b. In the case of education courses and programs, each hour of  
34 instruction shall be equivalent to one credit.

35

36 30. The director, after consultation with the advisory committee,  
37 shall:

38 a. Establish procedures for monitoring compliance with the  
39 continuing locksmith education requirements provided in this act; and

40 b. Establish procedures to evaluate and grant approval to providers  
41 of continuing locksmith education.

42

43 31. No municipality or county shall enact an ordinance or  
44 resolution or promulgate any rules or regulations relating to the  
45 licensing or registration of alarm businesses. The provisions of any  
46 ordinance or resolution or rules or regulations of any municipality or

1 county relating to the licensing or registration of an alarm business are  
2 superseded by the provisions of this act. Nothing in this section shall  
3 be construed, however, to prohibit municipal regulation of  
4 door-to-door vendors or sales persons of burglar alarm, fire alarm or  
5 electronic security systems nor shall anything in this section be  
6 construed to prohibit or restrict municipal consideration of alarm  
7 business service proposals in consent proceedings under the "Cable  
8 Television Act," P.L.1972, c.186 (C.48:5A-1 et seq.).

9  
10 32. a. Telephone utilities and cable television companies regulated  
11 by the Board of Regulatory Commissioners pursuant to Title 48 of the  
12 Revised Statutes and persons in their employ while performing the  
13 duties of their employment are exempt from the requirement of  
14 obtaining a license to engage in the alarm business pursuant to this act.

15 b. Electrical contractors regulated by the Board of Examiners of  
16 Electrical Contractors pursuant to P.L.1962, c.162 (C.45:5A-1 et seq.)  
17 and persons in their employ while performing the duties of their  
18 employment are exempt from the requirement of obtaining a license to  
19 engage in the alarm business pursuant to this act.

20  
21 33. If the director, after consultation with the committee,  
22 determines that an applicant holds a valid license from another  
23 jurisdiction which requires equal or greater experience and knowledge  
24 requirements, the director may accept evidence of that license as  
25 meeting the experience and knowledge requirements of this act for a  
26 person engaged in the alarm business or in the practice of locksmithing  
27 services.

28  
29 34. There is appropriated from the General Fund the sum of  
30 \$25,000 to the Division of Fire Safety of the Department of  
31 Community Affairs to implement the provisions of this act.

32  
33 35. This act shall take effect immediately but shall remain  
34 inoperative for 120 days following enactment.

35  
36  
37 **STATEMENT**

38  
39 This bill provides for the licensing and regulation of locksmiths,  
40 burglar and fire alarm, and electronic security businesses by the  
41 Director of the Division of Fire Safety in the Department of  
42 Community Affairs and appropriates \$25,000 from the General Fund  
43 to the division for that purpose.

1

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2

3 Provides for regulation of locksmiths, and burglar, fire alarm and  
4 electronic security businesses; appropriates \$25,000.