

CHAPTER 305

AN ACT providing for the licensure of locksmiths and burglar alarm, fire alarm, and electronic security businesses, and amending and supplementing P.L.1962, c.162.

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

1. Section 2 of P.L.1962, c.162 (C.45:5A-2) is amended to read as follows:

C.45:5A-2 Definitions.

2. For the purpose of this act, unless otherwise indicated by the context:

- (a) "Act" means this act and the rules and regulations adopted under it;
- (b) "Board" means the Board of Examiners of Electrical Contractors created by section 3 of this act;
- (c) "Department" means the Department of Law and Public Safety;
- (d) "Electrical contractor" means a person who engages in the business of contracting to install, erect, repair or alter electrical equipment for the generation, transmission or utilization of electrical energy;
- (e) "Person" means a person, firm, corporation or other legal entity;
- (f) "Alarm business" means the installation, servicing or maintenance of burglar alarm, fire alarm or electronic security systems, or the monitoring or responding to alarm signals when provided in conjunction therewith. "Installation," as used in this definition, includes the survey of a premises, the design and preparation of the specifications for the equipment or system to be installed pursuant to a survey, the installation of the equipment or system, or the demonstration of the equipment or system after the installation is completed, but does not include any survey, design or preparation of specifications for equipment or for a system that is prepared by an engineer licensed pursuant to the provisions of P.L.1938, c.342 (C.45:8-27 et seq.), or an architect licensed pursuant to the provisions of chapter 3 of Title 45 of the Revised Statutes, if the survey, design, or preparation of specifications is part of a design for construction of a new building or premises or a renovation of an existing building or premises, which renovation includes components other than the installation of a burglar alarm, fire alarm or electronic security system, and further does not include the design or preparation of specifications for the equipment or system to be installed that are within the practice of professional engineering as defined in subsection (b) of section 2 of P.L.1938, c.342 (C.45:8-28);
- (g) "Burglar alarm" means a security system comprised of an interconnected series of alarm devices or components, including systems interconnected with radio frequency signals, which emits an audible, visual or electronic signal indicating an alarm condition and providing a warning of intrusion, which is designed to discourage crime;
- (h) "Business firm" means a partnership, corporation or other business entity engaged in the alarm business or locksmithing services;
- (i) "Committee" means the Fire Alarm, Burglar Alarm, and Locksmith Advisory Committee created by section 3 of P.L.1997, c.305 (C.45:5A-23);
- (j) "Electronic security system" means a security system comprised of an interconnected series of devices or components, including systems with audio and video signals or other electronic systems, which emits or transmits an audible, visual or electronic signal warning of intrusion and provides notification of authorized entry or exit, which is designed to discourage crime;
- (k) "Fire alarm" means a security system comprised of an interconnected series of alarm devices or components, including systems interconnected with radio frequency signals, which emits an audible, visual or electronic signal indicating an alarm condition and which provides a warning of the presence of smoke or fire. "Fire alarm" does not mean a system whose primary purpose is telecommunications with energy control, the monitoring of the interior environment being an incidental feature thereto;
- (l) "Licensed locksmith" means a person who is licensed pursuant to the provisions of section 7 of P.L.1997, c.305 (C.45:5A-23);
- (m) "Licensee" means a person licensed to engage in the alarm business or provide locksmithing services pursuant to the provisions of section 7 of P.L.1997, c.305 (C.45:5A-23);
- (n) "Locksmithing services" means the modification, recombination, repair or installation of mechanical locking devices and electronic security systems for any type of compensation and

includes the following: repairing, rebuilding, recoding, servicing, adjusting, installing, manipulating or bypassing of a mechanical or electronic locking device, for controlled access or egress to premises, vehicles, safes, vaults, safe doors, lock boxes, automatic teller machines or other devices for safeguarding areas where access is meant to be limited; operating a mechanical or electronic locking device, safe or vault by means other than those intended by the manufacturer of such locking devices, safes or vaults; or consulting and providing technical advice regarding selection of hardware and locking systems of mechanical or electronic locking devices and electronic security systems; except that "locksmithing services" shall not include the installation of a prefabricated lock set and door knob into a door of a residence.

2. Section 18 of P.L.1962, c.162 (C.45:5A-18) is amended to read as follows:

C.45:5A-18 Exempt work or construction.

18. Electrical work or construction which is performed on the following facilities or which is by or for the following agencies shall not be included within the business of electrical contracting so as to require the securing of a business permit under this act:

- (a) Minor repair work such as the replacement of lamps and fuses.
- (b) The connection of portable electrical appliances to suitable permanently installed receptacles.
- (c) The testing, servicing or repairing of electrical equipment or apparatus.
- (d) Electrical work in mines, on ships, railway cars, elevators, escalators or automotive equipment.
- (e) Municipal plants or any public utility as defined in R.S.48:2-13, organized for the purpose of constructing, maintaining and operating works for the generation, supplying, transmission and distribution of electricity for electric light, heat, or power.
- (f) A public utility subject to regulation, supervision or control by a federal regulatory body, or a public utility operating under the authority granted by the State of New Jersey, and engaged in the furnishing of communication or signal service, or both, to a public utility, or to the public, as an integral part of a communication or signal system, and any agency associated or affiliated with any public utility and engaged in research and development in the communications field.
- (g) A railway utility in the exercise of its functions as a utility and located in or on buildings or premises used exclusively by such an agency.
- (h) Commercial radio and television transmission equipment.
- (i) Construction by any branch of the federal government.
- (j) Any work with a potential of less than 10 volts.
- (k) Repair, manufacturing and maintenance work on premises occupied by a firm or corporation, and installation work on premises occupied by a firm or corporation and performed by a regular employee who is a qualified journeyman electrician.
- (l) Installation, repair or maintenance performed by regular employees of the State or of a municipality, county, or school district on the premises or property owned or occupied by the State, a municipality, county, or school district.
- (m) The maintaining, installing or connecting of automatic oil, gas or coal burning equipment, gasoline or diesel oil dispensing equipment and the lighting in connection therewith to a supply of adequate size at the load side of the distribution board.
- (n) Work performed by a person on a dwelling that is occupied solely as a residence for himself or for a member or members of his immediate family.
- (o) (Deleted by amendment, P.L.1997, c.305).
- (p) Any work performed by a landscape irrigation contractor which has the potential of not more than 30 volts involving the installation, servicing, or maintenance of a landscape irrigation system as this term is defined by section 2 of this amendatory and supplementary act. Nothing in this act shall be deemed to exempt work covered by this subsection from inspection required by the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.) or regulations adopted pursuant thereto.

The board may also exempt from the business permit provisions of this act such other electrical activities of like character which in the board's opinion warrant exclusion from the

provisions of this act.

C.45:5A-23 "Fire Alarm, Burglar Alarm and Locksmith Advisory Committee."

3. a. There is created within the Division of Consumer Affairs in the Department of Law and Public Safety, under the Board of Examiners of Electrical Contractors, a "Fire Alarm, Burglar Alarm and Locksmith Advisory Committee." The committee shall consist of 15 members who are residents of this State as follows:

(1) Two members shall have been engaged in the alarm business in this State on a full-time basis for at least five consecutive years immediately preceding their appointments, shall be members of the New Jersey Burglar and Fire Alarm Association and, except for the members first appointed, shall be licensed under the provisions of section 7 of this act;

(2) Five members shall be municipal officials, and shall include (a) a fire prevention officer; (b) a crime prevention officer; (c) a fire sub-code official; (d) a building inspector; and (e) a chief of police who is a member of the New Jersey Association of Chiefs of Police;

(3) One member shall be a representative of the Division of State Police;

(4) One member shall have been engaged in the alarm business in this State on a full-time basis for at least five consecutive years immediately preceding appointment, shall be a member of the Automatic Fire Alarm Association of New Jersey and, except for the member first appointed, shall be licensed under the provisions of section 7 of this act;

(5) Two members shall have been engaged as practicing locksmiths on a full-time basis for at least five consecutive years immediately preceding appointment, shall be members of a duly recognized professional locksmith association in New Jersey and, except for the members first appointed, shall be licensed as locksmiths under the provisions of section 7 of this act;

(6) One member shall have been engaged in the alarm business in this State on a full-time basis, shall be a member of both the New Jersey Burglar and Fire Alarm Association and a duly recognized professional locksmith association and, except for the member first appointed, be licensed under the provisions of section 7 of this act;

(7) One member shall have been engaged as a practicing locksmith in this State on a full-time basis for at least five consecutive years immediately preceding appointment, shall be a member of both the New Jersey Burglar and Fire Alarm Association and a duly recognized professional locksmith association and, except for the member first appointed, be licensed under the provisions of section 7 of this act;

(8) One member shall be a member of the International Brotherhood of Electrical Workers, A.F.L.-C.I.O; and

(9) One member shall be a public member who meets the requirements pertaining to public members set forth in subsection b. of section 2 of P.L.1971, c.60 (C.45:1-2.2).

b. The Governor shall appoint each member for a term of three years, except that of the members first appointed, five shall serve for terms of three years, five shall serve for terms of two years, and five shall serve for terms of one year.

c. Any vacancy in the membership of the committee shall be filled for the unexpired term in the manner provided for the original appointment. No member of the committee may serve more than two successive terms in addition to any unexpired term to which he has been appointed.

d. The committee shall annually elect from among its members a chair and vice-chair. The committee shall meet at least four times a year and may hold additional meetings as necessary to discharge its duties. In addition to such meetings, the committee shall meet at the call of the chair, the board, or the Attorney General.

e. Members of the committee shall be compensated and reimbursed for actual expenses reasonably incurred in the performance of their official duties and reimbursed for expenses and provided with office and meeting facilities and personnel required for the proper conduct of the committee's business.

f. The committee shall make recommendations to the board regarding rules and regulations pertaining to professional training, standards, identification and record-keeping procedures for licensees and their employees, classifications of licensure necessary to regulate the work of licensees, and other matters as necessary to effectuate the purposes of this act.

C.45:5A-24 Powers, duties of board.

4. The board shall have the following powers and duties, or may delegate them to the committee:

- a. To set standards and approve examinations for applicants for a fire alarm, burglar alarm or locksmith license and issue a license to each qualified applicant;
- b. To administer the examination to be taken by applicants for licensure;
- c. To determine the form and contents of applications for licensure, licenses and identification cards;
- d. To adopt a code of ethics for licensees;
- e. To issue and renew licenses and identification cards;
- f. To set the amount of fees for fire alarm, burglar alarm and locksmith licenses, license renewal, applications, examinations and other services provided by the board and committee, within the limits provided in subsection b. of section 11 of this act;
- g. To refuse to admit a person to an examination or refuse to issue or suspend, revoke, or fail to renew the license of a fire alarm, burglar alarm, or locksmith licensee pursuant to the provisions of P.L.1978, c.73 (C.45:1-14 et seq.);
- h. To maintain a record of all applicants for a license;
- i. To maintain and annually publish a record of every licensee, his place of business, place of residence and the date and number of his license;
- j. To take disciplinary action, in accordance with P.L.1978, c.73 (C.45:1-14 et seq.) against a licensee or employee who violates any provision of this act or any rule or regulation promulgated pursuant to this act;
- k. To adopt standards and requirements for and approve continuing education programs and courses of study for licensees and their employees;
- l. To review advertising by licensees; and
- m. To perform such other duties as may be necessary to effectuate the purposes of this act.

C.45:5A-25 Requirements for advertising alarm business.

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

b. No person shall represent himself as qualified to provide, or otherwise provide locksmithing services unless he is licensed as a locksmith in accordance with the provisions of this act.

C.45:5A-26 Application for license as alarm business, locksmithing.

6. a. Application for a license to engage in the alarm business or to provide locksmithing services, as the case may be, shall be made to the board in the manner and on the forms as the board, in consultation with the committee may prescribe.

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

(2) An application to engage in locksmithing services shall include the name, residence and principal business address of the applicant, or in the case of an employee, the principal business address of his employer.

b. Every applicant shall submit to the board, together with the application, his photograph, in passport size, a list of all criminal offenses of which he has been convicted, setting forth the date and place of each conviction and the name under which he was convicted, if other than that on the application, and fingerprints of his two hands taken on standard fingerprint cards by a State or municipal law enforcement agency. Before approving an application, the board shall submit the fingerprints of the applicant to the Division of State Police in the Department of Law and Public Safety, for comparative analysis. The board is authorized to exchange fingerprint data with and receive criminal history record information from the Division of State Police and

the Federal Bureau of Investigation for use in making the determinations required by this act. The applicant shall bear the cost for the criminal history record check. No license shall be issued to any applicant whose license has been revoked under the provisions of this act within five years of the date of filing of an application.

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

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

C.45:5A-27 Requirements for licensure.

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

- (1) Be at least 18 years of age;
- (2) Be of good moral character, and not have been convicted of a crime of the first, second or third degree within 10 years prior to the filing of the application;
- (3) Meet qualifications established by the board, in consultation with the committee, regarding experience, continuing education, financial responsibility and integrity; and
- (4) Establish his qualifications to perform and supervise various phases of alarm installation, service and maintenance as evidenced by successful completion of an examination approved by the board, in consultation with the committee, except that any person engaged in the alarm business on the effective date of this act and filing an application within 120 days following the effective date of this act, shall not be required to submit evidence of the successful completion of the examination requirement if that person shows proof of having completed 40 hours of technical training prior to the effective date of this act, which training has been approved by the board, in consultation with the committee. No examination or training requirement shall apply to any person providing evidence of having been engaged in the alarm business for at least one year prior to the effective date of this act.

b. An applicant seeking licensure as a locksmith shall:

- (1) Be at least 18 years of age;
- (2) Be of good moral character, and not have been convicted of a crime of the first, second or third degree within 10 years prior to the filing of the application;
- (3) Present evidence to the board of having successfully completed any training and continuing education requirements established by the board, in consultation with the committee; and
- (4) Successfully complete a written examination approved by the board, in consultation with the committee to determine the applicant's competence to engage in locksmithing services, except that no examination requirement shall apply to any person engaged in locksmithing services who has practiced locksmithing services for at least one year prior to the effective date of this act and who files an application within 120 days following the effective date of this act.

C.45:5A-28 Nonapplicability of act.

8. The provisions of this act regarding the practice of locksmithing services shall not apply to:

a. The activities of any person performing public emergency services for a governmental entity if that person is operating under the direction or control of the organization by which he is employed;

b. The activities of any sales representative who is offering a sales demonstration to licensed locksmiths;

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

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

e. The activities of any person using any key duplicating machine or key blanks, except for

keys marked "do not duplicate" or "master key."

C.45:5A-29 Exemptions from licensing requirement.

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

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

C.45:5A-30 Issuance of locksmith license.

10. Notwithstanding any other provision of this act to the contrary, the board shall, upon application with submission of satisfactory proof and payment of the prescribed fee, within six months following the effective date of this act, issue a locksmith license to:

a. Any person who has successfully completed a locksmith apprentice program which has been approved by the Bureau of Apprenticeship and Training of the United States Department of Labor; or

b. Any person who has been engaged full-time in the practice of locksmithing services for at least three years immediately prior to the date of his application for a locksmith's license.

C.45:5A-31 Issuance of license to persons engaged in alarm business, locksmithing; duration; renewal; fees.

11. a. Licenses shall be issued to qualified applicants seeking licensure to engage in the alarm business or as a locksmith for a three-year period, upon payment of a licensing fee. License renewals shall be issued for a three-year period upon the payment of a renewal fee. A renewal application shall be filed with the board at least 45 days prior to expiration of a license. A license issued pursuant to this act shall not be transferable.

b. Fees shall be established, prescribed or changed by the board, in consultation with the committee, to the extent necessary to defray all proper expenses incurred by the committee, the board and any staff employed to administer the provisions of this act, except that fees shall not be fixed at a level that will raise amounts in excess of the amount estimated to be so required. All fees and any fines imposed under this act shall be paid to the board and shall be forwarded to the State Treasurer and become part of the General Fund.

C.45:5A-32 Requirements for licensee.

12. a. No licensee qualified under the provisions of this act shall engage in the alarm business or in the practice of locksmithing services, unless the licensee:

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

(2) Clearly marks the outside of each installation and service vehicle to be used in conjunction with the alarm business with the alarm business name or the outside of each installation and service vehicle to be used in conjunction with locksmithing services with the locksmithing service's name;

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

(4) Retains at all times general liability insurance in an amount determined by the board, in consultation with the committee, and insurance coverage or a surety bond in favor of the State of New Jersey in the sum of \$10,000, executed by a surety company authorized to transact business in the State of New Jersey and which is approved by the Department of Banking and Insurance, and which is to be conditioned on the faithful performance of the provisions of this act. The board shall by rule or regulation provide who shall be eligible to receive the financial protection afforded by that bond and the bond shall be in full force and effect for the term of the license issued.

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

C.45:5A-33 Display of identification card.

13. a. Every licensee and every employee or other person engaged in the unsupervised installation, servicing or maintenance of burglar alarm, fire alarm or electronic security systems shall, at all times during working hours, display an identification card issued by the board. The identification card shall contain the following information:

(1) the name, photograph and signature of the person to whom the card has been issued;

(2) the business name and address and license number of the licensee;

(3) the expiration date of the card; and

(4) that other information the board deems appropriate for identification purposes.

b. Identification cards shall be issued for a three-year period which, in the case of a licensee, shall correspond to the term of the license period of the licensee. Application for renewal of an identification card for other than a licensee shall be made by the person named on the card at

least 45 days prior to the expiration date of the card. The information provided on the identification card shall at all times be current, and the named holder of the card shall advise the board of any changes and file for issuance of an updated card within five days following occurrence of a change, which card shall be issued for the unexpired term of the original card.

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

C.45:5A-34 Requirements for employees.

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

a. unless the person is of good moral character; and

b. where the work is to be performed other than under the field supervision of a licensee or a person qualified pursuant to the provisions of this section, unless the person shall have at least three years of practical experience and shall have successfully completed a course of study or a competency examination prescribed by the board, in consultation with the committee; except that an employee employed in the installation, servicing or maintenance of burglar alarm, fire alarm or electronic security systems by a license applicant filing an application within 120 days of the effective date of this act and identified as an employee on the application, shall not be required to satisfy the competency requirements of this subsection, until the first renewal of the employee's identification card.

C.45:5A-35 Responsibilities of licensee relative to employees.

15. a. A licensee shall be responsible for any unlawful or unprofessional conduct by an employee, except that the conduct shall not be a cause for suspension or revocation of a license, unless the board determines that the licensee had knowledge thereof, or there is shown to have existed a pattern of unlawful or unprofessional conduct.

b. Within 30 days of employing a person in connection with an alarm business or as a locksmith, a licensee shall notify the board and shall provide the board with the employee's photograph, in passport size, fingerprints of the employee's two hands taken on standard fingerprint cards by a State or municipal law enforcement agency, a list of all criminal offenses, supplied by the employee, of which the employee has been convicted, setting forth the date and place of each conviction, and the name under which the employee was convicted, if other than that given in the written notification to the board and, if the work of the employee is not to be directly supervised, evidence of practical experience and professional competence in accordance with the requirements of subsection b. of section 14 of this act.

c. If a licensee knowingly falsifies any information required by the board, the licensee shall be guilty of a crime of the fourth degree and shall have his license revoked.

d. After confirming the information provided on an employee with the Division of State Police in the Department of Law and Public Safety and conducting other investigations as necessary, if the board determines that an employee is subject to the requirements of section 14 of this act and fails to satisfy those requirements, the board shall advise the licensee immediately of the employee's unfitness. The board is authorized to exchange fingerprint data with and receive criminal history record information from the Division of State Police and the Federal Bureau of Investigation for use in making the determinations required by this act. The employer shall bear the cost for the criminal history record check pursuant to this section. Employees hired by an alarm business through a recognized trade union on a temporary basis not to exceed six months or one project, whichever is greater, are exempt from the requirements of this act.

C.45:5A-36 Municipality, county prohibited from regulating locksmiths, alarm businesses.

16. No municipality or county shall enact an ordinance or resolution or promulgate any rules or regulations relating to the licensing or registration of locksmiths or alarm businesses. The provisions of any ordinance or resolution or rules or regulations of any municipality or county relating to the licensing or registration of locksmiths or alarm businesses are superseded by the provisions of this act. Nothing in this section shall be construed, however, to prohibit municipal regulation of door-to-door vendors or salespersons of burglar alarm, fire alarm or electronic

security systems nor shall anything in this section be construed to prohibit or restrict municipal consideration of alarm business service proposals in consent proceedings under the "Cable Television Act," P.L.1972, c.186 (C.48:5A-1 et seq.).

C.45:5A-37 Licenses from other jurisdictions.

17. If the board, after consultation with the committee, determines that an applicant holds a valid license from another jurisdiction which requires equal or greater experience and knowledge requirements, the board may accept evidence of that license as meeting the experience and knowledge requirements of this act for a person engaged in the alarm business or in the practice of locksmithing services.

C.45:5A-38 Rules, regulations.

18. The board, after consultation with the committee, shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) necessary to effectuate the purposes of this act.

19. This act shall take effect on the 180th day following the date of enactment, except that section 2 shall take effect on the date regulations promulgated under this act have taken effect.

Approved January 8, 1998.