

CHAPTER 17 - NORTH CAROLINA ALARM SYSTEMS LICENSING BOARD

SECTION .0100 - ORGANIZATION AND GENERAL PROVISIONS

14B NCAC 17 .0101 PURPOSE

The Alarm Systems Licensing Board is established within the North Carolina Department of Public Safety for the purpose of administering the licensing of and setting the educational and training requirements for persons, firms, associations, and corporations engaged in providing alarm systems and services to citizens of North Carolina.

*History Note: Authority G.S. 74D-4;
Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
Eff. May 1, 1984;
Transferred and Recodified from 12 NCAC 11 .0101 Eff. July 1, 2015;
Amended Eff. December 1, 2017;
Readopted Eff. June 1, 2018.*

14B NCAC 17 .0102 LOCATION

The administrative offices of the Alarm Systems Licensing Board are located at 3101 Industrial Drive, Suite 104, Raleigh, North Carolina 27609, telephone (919) 788-5320.

*History Note: Authority G.S. 74D-4; 74D-5;
Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. December 1, 2012;
Transferred and Recodified from 12 NCAC 11 .0102 Eff. July 1, 2015;
Amended Eff. December 1, 2017;
Readopted Eff. June 1, 2018.*

14B NCAC 17 .0103 DEFINITIONS

In addition to the definitions under G.S. Chapter 74D, the following definitions shall apply throughout this Chapter:

- (1) "Agency Head" means the Chairman of the Alarm Systems Licensing Board.
- (2) "Applicant" means any person, firm, or corporation applying to the Board for a license or registration.
- (3) "Board" means the Alarm Systems Licensing Board established by G.S. Chapter 74D.
- (4) "Branch Manager or Operator" means the licensee endowed with the responsibility and liability for a branch office.
- (5) "Branch Office" means a separate but dependent part of a central organization. The establishment of a telephone number or mailing address in the company name constitutes prima facie evidence of a branch office.
- (6) "Chairman" means the Chairman of the Alarm Systems Licensing Board.
- (7) "Employee" means:
 - (a) a person who has an agreement with a licensee to perform alarm systems business activities under the direct supervision and control of the licensee, for whose services any charges are determined imposed and collected by the licensee, and for whose alarm systems business activities the licensee is legally liable; or
 - (b) a person who solicits customers at a residential or commercial location whose services are compensated by payment of a referral fee or commission by a licensee.
- (8) "Installs" means placing an alarm device in a residential or commercial location and includes demonstrating the use of an alarm system device for a specific location and function within the protected premises and, with such knowledge of the alarm system operation, delivering that device to the owner or operator of the protected premises.
- (9) "Knowledge of Specific Applications" means obtaining specific information about the premises which is protected or is to be protected, gained during an on-site visit. Conducting a survey shall be prima facie evidence of knowledge of specific applications.
- (10) "Licensee" means any person licensed pursuant to G.S. Chapter 74D.

- (11) "Monitors" means receiving a signal from a protected premises or contracting with a person, firm or corporation to provide accessible equipment and personnel to receive a signal from an alarm device in a protected premises and take action in response.
- (12) "Qualifying Agent" means any person who meets the requirements of G.S. 74D-2(c), provided that no licensee may act as qualifying agent for more than one alarm systems business without prior authorization of the Board.
- (13) "Responds" means receiving a monitored alarm signal that indicates the existence of an unauthorized intrusion or taking from a protected premises of a customer and being required by contract to take action upon receipt of that alarm signal.
- (14) "Services" means inspecting, testing, repairing or replacing an alarm system device within protected premises.

History Note: Authority G.S. 74D-2; 74D-5;
 Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
 Eff. May 1, 1984;
 Amended Eff. August 1, 1988; February 1, 1988; July 1, 1987; January 1, 1986;
 Transferred and Recodified from 12 NCAC 11 .0103 Eff. July 1, 2015;
 Readopted Eff. June 1, 2018.

14B NCAC 17 .0104 DISCIPLINARY ACTIONS

(a) In lieu of the disciplinary actions set forth in G.S. Chapter 74D, the Board may issue a written reprimand to a holder of a license or registration identification card based on whether:

- (1) the holder has violated any of the provisions of this Chapter or G.S. Chapter 74D that were applicable to the holder;
- (2) the violation did not result in the physical injury of any person or property loss to any person; and
- (3) the holder expresses an intention to or already has corrected the improper activity.

(c) A notice of any disciplinary action shall be sent to the employer of the holder, the qualifying agent and the holder.

(d) Evidence of disciplinary action shall be presented and considered at any subsequent disciplinary proceeding of the holder.

History Note: Authority G.S. 74D-2; 74D-5; 74D-6; 74D-8; 74D-10;
 Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
 Eff. May 1, 1984;
 Amended Eff. July 1, 1987;
 Transferred and Recodified from 12 NCAC 11 .0104 Eff. July 1, 2015;
 Readopted Eff. June 1, 2018.

14B NCAC 17 .0105 PROHIBITED ACTS

In addition to the prohibited acts set forth elsewhere in this Subchapter and in Chapter 74D of the General Statutes, an applicant, licensee, or registrant who does any of the following shall have his or her application denied or his or her license or registration revoked or suspended:

- (1) displays, causes or permits to be displayed, or has in his or her possession any cancelled, revoked, suspended, fictitious, fraudulently-altered license or registration identification card, or any document simulating a license or registration identification card or purporting to be or to have been issued as a license or registration identification card;
- (2) lends his or her license or registration identification card to another person or allows the use thereof by another;
- (3) displays or represents any license or registration identification card not issued to him or her as being his or her license or registration identification card;
- (4) includes in any advertisement a statement that implies an official State-authorized certification or approval other than this statement: "Licensed by the Alarm Systems Licensing Board of the State of North Carolina." Licensees may include their license number;
- (5) includes in the company name the word "police" or other law enforcement designation that implies that the alarm company is affiliated with a local, state, or federal law enforcement agency; or

- (6) makes any false statement or gives any false information to a third party provider in connection with any criminal history record check provided to the Board.

History Note: Authority G.S. 74D-5; 74D-6; 74D-10;
Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. June 1, 2014; August 1, 2007;
Transferred and Recodified from 12 NCAC 11 .0105 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.

14B NCAC 17 .0106 DETERMINATION OF EXPERIENCE

- (a) Experience requirements shall be determined in the following manner: one year's experience = 1,000 hours.
(b) The Board shall not consider any experience claimed by the applicant if gained while not in possession of a valid license or registration while such license or registration was required by existing or previously existing laws of the United States, any state, or any political subdivision thereof.

History Note: Authority G.S. 74D-5;
Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. November 1, 2010; September 1, 1993;
Transferred and Recodified from 12 NCAC 11 .0106 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.

14B NCAC 17 .0107 RULEMAKING AND ADMINISTRATIVE HEARING PROCEDURES

The Administrative Procedures for rule-making and hearings, codified at Title 26, Subchapters 2 and 3 of the North Carolina Administrative Code, effective August 1, 1986, are adopted by reference to apply to actions including subsequent amendments and editions.

History Note: Authority G.S. 74D-5;
Eff. August 1, 1988;
Transferred and Recodified from 12 NCAC 11 .0122 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.

14B NCAC 17 .0108 CONSUMER CONTRACT AND DISCLOSURE REQUIREMENTS FOR ALARM SERVICES

- (a) Every person, firm, association or corporation licensed to engage in the alarm systems business in North Carolina who sells, installs, services, responds to or monitors electrical, electronic or mechanical alarm systems shall execute with the consumer a written contract in all transactions that consists of the following:
- (1) A description of the sales and services in brief, simple terminology;
 - (2) The company's name, address and telephone number, the North Carolina Alarm Systems License Number, and the North Carolina Alarm Systems Licensing Board's address and telephone number.
- (b) Any person, firm, association or corporation licensed to engage in the alarm systems business in North Carolina by providing sales, installation, service, response, or monitoring to a consumer and who unilaterally terminates, causes to be terminated, or reasonably knows of the termination of the monitoring, response or service to that consumer shall provide notification to that consumer by verified personal service or certified mail at least 10 days prior to cessation of the services. This provision shall not apply to consumer-initiated action to terminate or upon consumer relocation.
- (c) Any person, firm, association or corporation licensed to engage in the alarm systems business in North Carolina by providing sales, installation, service, response, or monitoring to a consumer and who changes or causes to be changed the monitoring, response or service to that consumer shall provide written notification to that consumer of the change, the effective date, and the name, address and telephone number of the new provider.

History Note: Authority G.S. 74D-2(a); 74D-5;
Eff. July 1, 1995;
Transferred and Recodified from 12 NCAC 11 .0123 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.

14B NCAC 17 .0109 DECLARATORY RULING PROCEDURES

(a) All requests for declaratory rulings shall be in writing and mailed to the Board at the Board's address.

(b) Each request for a declaratory ruling shall include the following information:

- (1) the name and address of person requesting the ruling;
- (2) the statute or rule to which the request relates;
- (3) a concise statement of the manner in which the requesting person is aggrieved by the rule or statute or its potential application to him or her;
- (4) names and addresses of additional third persons known to the person aggrieved who may possibly be affected by the requested ruling;
- (5) a statement of all material facts;
- (6) a statement whether or not the person aggrieved is aware of any pending Board action or court action that may bear on the applicability of the statute or rule to the person's particular situation; and
- (7) a statement of the arguments and legal authority supporting the person's position on the applicability of this statute or rule; and

The petitioner shall sign and verify the request before an officer qualified to administer oaths that the information supplied in the request is true and accurate.

(c) Within 30 days of receipt of a request for a declaratory ruling, the Board shall determine whether a ruling is appropriate under the facts stated.

(d) The Board shall proceed to issue a declaratory ruling when the person requesting the rule shows that, with regard to the facts presented:

- (1) the rule or statute in question is unclear on its face;
- (2) circumstances are so changed since the adoption of a rule that a declaratory ruling is warranted;
- (3) the factors specified in the request were not given appropriate consideration by the Board at the time the rule was adopted;
- (4) the rule or statute is unclear in its application to the requesting person's facts; or
- (5) a fair question exists regarding the validity of the rule because of an absence of authority for the Board's adoption of the rule or other irregularities in the Board's rule-making proceedings.

(e) The Board shall not issue a declaratory ruling when the petitioner or his or her request is the subject of, or materially related to, an investigation by the Board or contested case before the Board.

(f) When the Board determines for good cause that the issuance of a declaratory ruling is unnecessary, the Board shall notify, in writing, the person requesting the ruling, stating the reasons for the denial of the request. The Board will ordinarily decline to issue a declaratory ruling when:

- (1) there has been a similar controlling factual determination made by the Board;
- (2) the rule-making record shows that the factual issues raised by the request were specifically considered prior to, or at the time of adoption of the rule;
- (3) the subject matter of the request is involved in pending litigation in any state or federal court in North Carolina, or pending legislation or rulemaking;
- (4) the request does not comply with the procedural guidelines within Paragraphs (a) and (b) of this Rule;
- (5) the Board has previously issued a declaratory ruling on substantially similar facts;
- (6) the Board has previously issued a final agency decision in a contested case on substantially similar facts;
- (7) the subject matter is one concerning which the Board is without authority to make a decision binding the Board or the petitioner;
- (8) the petitioner is not aggrieved by the rule or statute in question or otherwise has no interest in the subject matter of the request; or
- (9) there is reason to believe that the petitioner or some other person or entity materially connected to the subject matter of the request is acting in violation of the G.S. Chapter 74C or the rules adopted by the Board.

The denial of the request is immediately subject to judicial review in accordance with Article 4 of G.S. Chapter 150B.

(g) Prior to issuing a declaratory ruling, the Board may give notice of the declaratory proceedings to any persons it deems appropriate and may direct that fact-finding proceedings appropriate to the circumstances of the particular request be conducted by the Board. The proceedings may consist of written submissions, an oral hearing, or other

appropriate procedures. A written ruling on the merits shall be issued within 45 days of the decision to grant the request.

(h) If the Board finds evidence that the factors listed in Subparagraphs (d)(1), (2), or (3) of this Rule exist or potentially exist beyond the specific facts presented in a particular petition for declaratory ruling, the Board shall consider rule-making proceedings on the rule.

(i) A record of each declaratory ruling and the procedures conducted therefor will be maintained by the Board. The record will contain:

- (1) the request for a declaratory ruling;
- (2) all written submissions filed in the request, whether filed by the person requesting the ruling or by any other person;
- (3) a record or summary of oral presentations, if any; and
- (4) a copy of the declaratory ruling.

History Note: Authority G.S. 150B-4;
Eff. September 1, 2025.

SECTION .0200 – PROVISIONS FOR LICENSEES

14B NCAC 17 .0201 APPLICATION FOR LICENSE

(a) Each applicant for a license shall submit an online application on the website provided by the Board. When this online application is submitted, it shall be accompanied by:

- (1) electronic submission of fingerprints from a Live Scan or similar system approved by the State Bureau of Investigation or one set of classifiable fingerprints on an F.B.I. fingerprint card provided by the Board and mailed separately to the Board's office;
- (2) one head and shoulders digital photograph of the applicant in JPG format of sufficient quality for identification, taken within six months prior to the online submission;
- (3) statements of the results of a statewide criminal history records search by the reporting service designated by the Board pursuant to G.S. 74D-2.1(a) for any state where the applicant has resided within the preceding 60 months;
- (4) a minimum of three letters attesting to the good character and reputation of the applicant using the online character letter submission process; and
- (5) the applicant's application fee, along with the convenience fee charged by the Board's on-line application vendor and the credit card transaction fee charged by the applicant's credit card provider and collected online.

(b) Each applicant shall upload evidence of high school graduation either by diploma, G.E.D. certificate, or other equivalent documentation.

(c) Each applicant for a license shall meet personally with either a Board investigator, the Screening Committee, the Director, or a Board representative designated by the Director prior to being issued a license. The applicant shall discuss the provisions of G.S. 74D and the administrative rules in this Chapter during the personal meeting. The applicant shall sign a form provided by the Board stating that the applicant has reviewed the information with the Board's representative and that the applicant understands G.S. 74D and the administrative rules in this Chapter. During a national or State declared state of emergency that restricts or prohibits travel, the personal meeting requirement may be waived if requested by the applicant in favor of alternative means of communication.

(d) Each applicant for a branch office license shall submit an online application on the website provided by the Board containing the physical address and telephone number of the branch office, the Qualifying Agent responsible for the branch office, the proposed branch manager, the parameters or scope of duties of the branch office, and the anticipated number of employees. This online application shall be accompanied by the branch office application fee.

(e) All photographs, record checks, proof of insurance, explanations of criminal charges, explanations of credit history, or requested documents shall be submitted online through the Board's website by any applicant for a permit, license, registration, or certificate within 60 days of the Board's receipt of the application form or a request from Board staff, whichever is later. Any failure to submit required or requested documents to complete the application process within this 60-day period shall void the application and require re-application.

History Note: Authority G.S. 74D-2; 74D-2.1; 74D-3; 74D-5; 74D-7; 74D-8;
Temporary Rule Eff. January 9, 1984, for a period of 120 days to expire on May 7, 1984;
Eff. May 1, 1984;

Amended Eff. December 1, 2012; February 1, 2012; January 1, 2007; September 1, 2006; March 1, 1993; July 1, 1987; January 1, 1986;
Transferred and Recodified from 12 NCAC 11 .0201 Eff. July 1, 2015;
Amended Eff. December 1, 2017;
Readopted Eff. June 1, 2018;
Amended Eff. September 1, 2019;
Emergency Amendment Eff. June 9, 2020;
Amended Eff. August 1, 2020;
Temporary Amendment Eff. August 28, 2020;
Temporary Amendment Expired Eff. June 12, 2021;
Amended Eff. September 1, 2024; August 1, 2022; November 1, 2021.

14B NCAC 17 .0202 EXPERIENCE OR TRAINING REQUIREMENTS FOR LICENSE

Applicants for an alarm system license shall meet the following requirements, which are in addition to those specified in G.S. 74D:

- (1) establish two year's experience within the past five years in alarm systems installation or service, or alarm systems business management; or
- (2) no longer than one year prior to the application date, successfully complete the Certified Alarm Technician Level I Course offered by the Electronic Security Association (ESA) or equivalent. Equivalency shall be determined by the Board's Training and Education Committee by comparing each segment of the training to ensure that the alternative course encompasses all segments of the ESA course.

History Note: Authority G.S. 74D-5;
Temporary Rule Eff. January 9, 1984, for a period of 120 days to expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. January 1, 2007; August 1, 1998; January 1, 1995; March 1, 1993; August 3, 1992;
June 1, 1990;
Transferred and Recodified from 12 NCAC 11 .0202 Eff. July 1, 2015;
Amended Eff. December. 1, 2017;
Readopted Eff. June 1, 2018;
Amended Eff. February 1, 2024; April 1, 2021.

14B NCAC 17 .0203 FEES FOR LICENSE

(a) Application license fees are as follows plus the convenience fee charged by the Board's on-line application vendor and credit card transaction fee charged by the applicant's credit card provider and collected online:

- (1) one hundred fifty dollars (\$150.00) non-refundable initial application fee.
- (2) five hundred dollar (\$500.00) biennial fee for a new or renewal license.
- (3) one hundred fifty dollars (\$150.00) branch office license fee.
- (4) one hundred dollars (\$100.00) late renewal fee to be paid in addition to the renewal fee if the license has not been renewed on or before the expiration date.

(b) Fees shall be paid by credit card or electronic funds transfer.

History Note: Authority G.S. 74D-7;
Temporary Rule Eff. January 9, 1984, for a period of 120 days to expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. January 1, 1986;
Temporary Amendment Eff. October 6, 1992 for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;
Amended Eff. February 1, 2010; March 1, 1993;
Transferred and Recodified from 12 NCAC 11 .0203 Eff. July 1, 2015;
Amended Eff. January 1, 2018;
Readopted Eff. June 1, 2018;
Amended Eff. September 1, 2024; September 1, 2019.

14B NCAC 17 .0204 RENEWAL OR REINSTATEMENT OF LICENSE

(a) Each applicant for a license renewal shall submit an online renewal application on the website provided by the Board. This online application shall be submitted not less than 30 days prior to expiration of the applicant's current license and shall be accompanied by:

- (1) statements of the result of a local statewide criminal history records search by the reporting services service designated by the Board pursuant to G.S. 74D-2.1 for any state where the applicant has resided within the preceding 24 months;
- (2) the applicant's renewal fee as set forth in .0203(a)(2); and
- (3) proof of liability insurance pursuant to G.S. 74D-9.

(b) No renewal shall be granted more than 90 days after the date of expiration of a license.

(c) Applications for renewal submitted after the expiration date of the license shall be accompanied by the late renewal fee established by Rule .0203 of this Section and shall be submitted not later than 90 days after the expiration date of the license.

(d) If a licensee has maintained a license at least two years and fails to renew the license within 90 days of the expiration date, the license may be re-issued if an online reinstatement application is submitted within one year of the expiration date. The reinstatement application must include the items required in Subparagraphs (a)(1) through (3) of this Rule, the late fee required by Paragraph (c) of this Rule, evidence of compliance with the electrical licensing requirements of Rule .0210 of this Section, and documentation of completion within the previous two years of continuing education as required by Section .0500 of this Chapter. If the license reinstatement is approved, the license period shall be prorated to expire on the date the previous license would have expired, had the license been renewed on time. The licensee shall remain responsible for compliance with the Board's law and the rules of this Chapter during the period of lapse.

(e) The Director shall review and approve or recommend denial of an application for renewal or reinstatement. All recommendations of denial shall be submitted to the Board for a final Board decision.

(f) Members of the armed forces whose licenses are in good standing and to whom G.S. 105-249.2 grants an extension of time to file a tax return shall be granted the same extension of time to pay the license renewal fee and to complete the continuing education requirements prescribed in Section .0500 of this Chapter. A copy of the military order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue shall be furnished to the Board.

History Note: Authority G.S. 74D- 2; 74D-2.1; 74D-5; 74D-5.1; 74D-6; 74D-7; 93B-15;
Eff. January 1, 1995;
Temporary Adoption Eff. May 18, 1995;
Amended Eff. February 1, 2012; July 1, 2010; May 1, 1999; October 1, 1995;
Transferred and Recodified from 12 NCAC 11 .0204 Eff. July 1, 2015;
Amended Eff. April 1, 2018;
Readopted Eff. June 1, 2018;
Amended Eff. November 1, 2022; August 1, 2020; September 1, 2019.

14B NCAC 17 .0205 IDENTIFICATION CARDS OF LICENSEES

Upon the issuance of a license, a pocket identification card of design, size, and content approved by the Board shall be issued by the Director. The card will be evidence that the holder is duly licensed under G.S. Chapter 74D. The holder shall have this card in his or her possession at all times when acting within the scope of his employment.

History Note: Authority G.S. 74D-7;
Temporary Rule Eff. January 9, 1984, for a period of 120 days to expire on May 7, 1984;
Eff. May 1, 1984;
Transferred and Recodified from 12 NCAC 11 .0205 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.

14B NCAC 17 .0206 RECORDS INSPECTION

(a) Records of a licensee maintained to satisfy the requirements of G.S. Chapter 74D or this Chapter shall be available for inspection by the Director or his or her staff upon demand between 8:00 a.m. and 5:00 p.m. Monday through Friday.

(b) All licensees having registered employees shall submit a copy of their current quarterly Employment Security Commission form NCUI 101-625 to the Director's office at the same time the form is submitted to the Employment Security Commission and shall also submit a list of non-Employment Security Commission employees currently

employed by the licensee with the dates of employment. In lieu of submitting copies of the quarterly reports, within 10 days of a request by the Board, a licensee shall provide its Employment Security Commission account number along with the personal identification number (PIN) so that the Board may access the data electronically. Those licensees who do not submit an Employment Security Commission NCUI form 101-625 shall submit the names of their employees on a form provided by the Board. The licensee of a firm, association, or corporation that includes a licensed department or division shall also submit additional documentation as required by Paragraph (c) of this Rule.

(c) If a department or division of a firm, association, or corporation is licensed, the licensee shall submit a list of all employees who work with the department or division to the Board prior to the issuance of the license. This list shall indicate the employees who work with the department or division and are listed on the report required in Paragraph (b) of this Rule. If the department or division hires a new employee, the licensee shall report the hiring within 5 days of employment.

(d) All records required to be kept by either Chapter 74D of the General Statutes of North Carolina or by this Chapter shall be retained for at least three years. If the licensee is unable to produce records as required by this Rule, the licensee shall give the Board its Employment Security Commission account number along with the personal identification number (PIN) so that the Board can access the data electronically.

History Note: Authority G.S. 74D-5;
Temporary Rule Eff. January 9, 1984, for a period of 120 days to expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. September 1, 2009; March 1, 1993; August 1, 1988; July 1, 1987; January 1, 1986;
Transferred and Recodified from 12 NCAC 11 .0206 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.

14B NCAC 17 .0207 LICENSE REQUIREMENTS

All licensees shall inform the Board of their home address, business street address, home telephone number and business telephone number and inform the Board within 10 business days of the change.

History Note: Authority G.S. 74D-5;
Eff. June 1, 1990;
Transferred and Recodified from 12 NCAC 11 .0207 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.

14B NCAC 17 .0208 TRAINING REQUIREMENTS FOR ALARM LICENSEES

History Note: Authority G.S. 74D-5(a)(2);
Eff. March 1, 1993;
Transferred and Recodified from 12 NCAC 11 .0208 Eff. July 1, 2015;
Readopted Eff. June 1, 2018;
Repealed Eff. February 1, 2024.

14B NCAC 17 .0209 COMPANY BUSINESS LICENSE

(a) Any firm, association, or corporation required to be licensed pursuant to G.S. 74D-2(a) shall upload an application for a company business license on a form on the website provided by the Board. A sole proprietorship that is owned and operated by an individual holding a current alarm systems business license shall be exempt from this Rule. This application form shall include such information as the firm, association, or corporation name; the address of its principal office within the State; all past convictions for criminal offenses of any company director or officer; information concerning the past revocation, suspension, or denial of a business or professional license to any director or officer; a list of all directors and officers of the firm, association, or corporation; a list of all persons, firms, associations, corporations, or other entities owning 10 percent or more of the outstanding shares of any class of stock; and the name and address of the qualifying agent.

(b) In addition to the items required in Paragraph (a) of this Rule, an out-of-state company shall file with its license application form a copy of its certificate of authority to transact business in this state issued by the North Carolina Secretary of State, in accordance with G.S. 55-15-01, and a consent to service of process and pleadings that is authenticated by its company seal and accompanied by a duly-certified copy of the resolution of the board of directors authorizing the proper officer or officers to execute this consent.

(c) After filing a completed online application with the Board, the Board shall conduct a background investigation to ascertain if the qualifying agent is in a management position. The Board shall also determine if the directors or officers have the requisite good moral character as defined in G.S. 74D-6(3). It shall be prima facie evidence of good moral character if a director or officer has not been convicted by any local, State, federal, or military court of any crime involving the use, carrying, or possession of a firearm; conviction of any crime involving the use, possession, sale, manufacture, distribution, or transportation of a controlled substance, drug, narcotic, or alcoholic beverage; conviction of a crime involving assault or an act of violence; conviction of a crime involving breaking or entering, burglary, larceny, or any offense involving moral turpitude; or does not have a history of addiction to alcohol or a narcotic drug. For the purposes of this Section, "conviction" means and includes the entry of a plea of guilty, no contest, or a verdict rendered in open court by a judge or jury.

(d) Upon completion of the background investigation, a company business license shall be issued if all requirements of this Rule are met. A company business license issued by the Board shall be displayed at the principal place of business within North Carolina.

(e) The company business license shall be issued only to a corporation and shall not be construed to extend to a licensing of its directors, officers, or employees.

(f) The issuance of the company business license is issued to the firm, association, or corporation in addition to the license issued to the qualifying agent. The qualifying agent for the firm, association, or corporation that has been issued the company business license shall be responsible for assuring compliance with G.S. 74D.

(g) Within 90 days of the death of a licensee, the existing qualifying agent or a newly designated replacement qualifying agent for the company may submit a written request to the Board, asking that the deceased licensee's license number remain on company advertisements. The Board shall permit the use of the deceased licensee's license number only if the current qualifying agent's license number is printed adjacent to and in the same size print as the deceased licensee's license number.

History Note: Authority G.S. 74D-2(a); 74D-5;
Eff. November 1, 1993;
Amended Eff. July 1, 2005; March 1, 1995;
Transferred and Recodified from 12 NCAC 11 .0209 Eff. July 1, 2015;
Readopted Eff. June 1, 2018;
Amended Eff. September 1, 2019.

14B NCAC 17 .0210 ELECTRICAL CONTRACTING LICENSE REQUIREMENTS

(a) Each firm, association, corporation, department, division, or branch office required to be licensed pursuant to G.S. 74D-2(a) shall employ on a full-time basis a licensee or registered employee who holds a license for either a SP-LV, limited, intermediate or unlimited examination as administered by the North Carolina Board of Examiners of Electrical Contractors. Pursuant to Rule .0206 of this Section, each firm, association, corporation, department, division, or branch office shall maintain in its records a copy of the licensee's or registered employee's Electrical Contractors License.

(b) In the event the licensee holding the electrical contractor's license ceases to perform his duties, the business entity shall notify the Board in writing within 10 working days. The business entity shall employ a substitute electrical contractor licensee within 30 days after the original electrical licensee ceases to serve.

(c) If a company provides only alarm systems monitoring services and submits a written request to the Board certifying that they provide only monitoring services and do not sell, install, service, or respond to burglar alarms, the Board shall exempt the company from compliance with this rule. If the company later elects to sell, install, service, or respond to burglar alarms, then the company shall be required to fulfill the requirements of this rule.

History Note: Authority G.S. 74D-2(a); 74D-5;
Eff. January 1, 1995;
Temporary Adoption Eff. May 18, 1995;
Amended Eff. September 1, 2008; May 1, 1999; October 1, 1995;
Transferred and Recodified from 12 NCAC 11 .0210 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.

SECTION .0300 – PROVISIONS FOR REGISTRANTS

14B NCAC 17 .0301 APPLICATION FOR REGISTRATION

(a) Each licensee or qualifying agent shall submit an online application for the registration of his or her employee on the website provided by the Board. When this online application is submitted, it shall be accompanied by:

- (1) electronic submission of fingerprints from a Live Scan or similar system approved by the State Bureau of Investigation or one set of classifiable fingerprints on a standard F.B.I. fingerprint card mailed separately to the Board's office;
- (2) one original signed S.B.I. release of information form uploaded online and the original mailed separately to the Board's office;
- (3) one head and shoulders digital photograph of the applicant of sufficient quality for identification, taken within six months prior to online submission, and uploaded with the application submission;
- (4) statements of the results of a statewide criminal history records search by the reporting service designated by the Board pursuant to G.S. 74D-2.1(a) for any state where the applicant has resided within the preceding 60 months;
- (5) the registration fee required by Rule .0302 of this Section, along with the convenience fee charged by the Board's on-line application vendor and the credit card transaction fee charged by the applicant's credit card provider and collected online; and
- (6) a completed affidavit form attesting to the truth of the information provided and public notice statement form.

(b) The employer of an applicant who is currently registered with another alarm business shall complete an online application form provided by the Board. This form shall be accompanied by the applicant's multiple registration fee along with the convenience fee charged by the Board's on-line application vendor and the credit card transaction fee charged by the applicant's credit card provider and collected online. This online application shall be accompanied by a completed affidavit form and public notice statement form.

(c) The employer of each applicant for registration shall print and retain a copy of the applicant's online application in the individual applicant's personnel file in the employer's office.

History Note: Authority G.S. 74D-2.1; 74D-5; 74D-8;
Temporary Rule Eff. January 9, 1984 for a Period of 120 Days to Expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. December 1, 2012; January 1, 2007; July 1, 1993; March 1, 1993; September 1, 1990; November 1, 1988;
Transferred and Recodified from 12 NCAC 11 .0301 Eff. July 1, 2015;
Amended Eff. December 1, 2017;
Readopted Eff. June 1, 2018;
Amended Eff. September 1, 2024; August 1, 2022; August 1, 2020; September 1, 2019.

14B NCAC 17 .0302 FEES FOR REGISTRATION

(a) Registration fees are as follows, plus the convenience fee charged by the Board's on-line application vendor and credit card transaction fee charged by the applicant's credit card provider and collected online.

- (1) Fifty dollar (\$50.00) non-refundable biennial registration fee.
- (2) Ten dollar (\$10.00) non-refundable fee for registration of an employee who changes employment to another licensee.
- (3) Ten dollar (\$10.00) non-refundable annual multiple registration fee.
- (4) Twenty dollar (\$20.00) late renewal fee to be paid for an application submitted no more than 30 days from the date the registration expires and to be paid in addition to the renewal fee.

(b) Fees shall be paid by credit card or electronic funds transfer.

History Note: Authority G.S. 74D-7;
Temporary Rule Eff. January 9, 1984, for a period of 120 days to expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. January 1, 1986;
Temporary Amendment Eff. October 6, 1992 for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;
Amended Eff. May 1, 2010; February 1, 2010; April 1, 2005; March 1, 1993;
Transferred and Recodified from 12 NCAC 11 .0302 Eff. July 1, 2015;
Amended Eff. January 1, 2018;
Readopted Eff. June 1, 2018;

Amended Eff. September 1, 2024; September 1, 2019.

14B NCAC 17 .0303 MINIMUM STANDARDS FOR REGISTRATION

An applicant for registration shall:

- (1) be at least 18 years of age;
- (2) be a citizen of the United States or a resident alien;
- (3) be of good moral character and temperate habits, as set forth in G.S. 74D-2(d)(2); and
- (4) not have been found or declared mentally incompetent by any court.

*History Note: Authority G.S. 74D-5; 74D-8;
Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. March 1, 1993; January 1, 1986;
Transferred and Recodified from 12 NCAC 11 .0303 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.*

14B NCAC 17 .0304 INVESTIGATION FOR REGISTRATION

A denial of an applicant for registration by the Director shall be subject to review by the Board.

*History Note: Authority G.S. 74D-5; 74D-8;
Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
Eff. May 1, 1984;
Transferred and Recodified from 12 NCAC 11 .0304 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.*

14B NCAC 17 .0305 REGISTRATION IDENTIFICATION CARDS

- (a) The registration identification card shall be carried by the registrant when performing the duties of an alarm systems employee.
- (b) The registration identification card shall be exhibited upon the request of any law enforcement officer or any other authorized representative of the Board.
- (c) Registration identification card holders shall immediately notify the Board upon receipt of information relating to the holder's ineligibility to continue holding such a card.
- (d) Upon revocation or suspension by the Board, a holder shall return the registration identification card to the administrator within 10 days of the date of the revocation or suspension.

*History Note: Authority G.S. 74D-8;
Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
Eff. May 1, 1984;
Transferred and Recodified from 12 NCAC 11 .0305 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.*

14B NCAC 17 .0306 RENEWAL OR REREGISTRATION OF REGISTRATION

- (a) Each applicant for renewal of a registration identification card or his or her employer shall complete an online form on the website provided by the Board. This online form shall be submitted not less than 90 days prior to expiration of the applicant's current card and shall be accompanied by:
 - (1) one digital head and shoulders color photograph of the applicant of acceptable quality for identification and made within 90 days of the application uploaded online with application submission;
 - (2) statements of the result of a statewide criminal history records search by the reporting service designated by the Board pursuant to G.S. 74D-2.1(a) for any state where the applicant has resided within the preceding 24 months; and
 - (3) the applicant's renewal fee, along with the convenience fee charged by the Board's on-line application vendor and credit card transaction fee charged by the applicant's credit card provider and collected online.
- (b) Each licensee shall provide each applicant for registration or re-registration a copy of the online submitted application form provided by the Board. This form shall be submitted to the Board online and accompanied by:

- (1) one digital head and shoulders color photograph of the applicant of acceptable quality for identification and made within 90 days of the application uploaded online with the application submission; and
- (2) the applicant's registration fee, along with the convenience fee charged by the Board's on-line application vendor and credit card transaction fee charged by the applicant's credit card provider and collected online.

(c) The employer of each applicant for a registration renewal or reregistration shall give the applicant a copy of the online application which will serve as a record of application for renewal and shall retain a copy of the applicant's online renewal application in the individual's personnel file in the employer's office.

(d) Members of the armed forces whose registrations are in good standing and to whom G.S. 105-249.2 grants an extension of time to file a tax return are granted that same extension of time to pay the registration renewal fee and to complete the continuing education requirements prescribed by Section .0500 of this Chapter. A copy of the military order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue must be furnished to the Board.

*History Note: Authority G.S. 74D-7; 74D-8; 93B-15;
Temporary Rule Eff. January 9, 1984, for a Period of 120 Days to Expire on May 7, 1984;
Eff. May 1, 1984;
Amended Eff. February 1, 2012; July 1, 2010; March 1, 1993; December 1, 1988; July 1, 1987;
Transferred and Recodified from 12 NCAC 11 .0306 Eff. July 1, 2015;
Readopted Eff. June 1, 2018;
Amended Eff. September 1, 2024; September 1, 2019.*

14B NCAC 17 .0307 SUSPENSION OF AUTHORITY TO EXPEND FUNDS

In the event that Board's authority to expend funds is suspended pursuant to G.S. 93B-2(d), the Board shall continue to issue and renew licenses and all fees tendered shall be placed in an escrow account maintained by the Board for this purpose. Once the Board's authority is restored, the funds shall be moved from the escrow account into the general operating account.

*History Note: Authority G.S. 93B-2(b);
Eff. December 1, 2012;
Transferred and Recodified from 12 NCAC 11 .0307 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.*

SECTION .0400 - RECOVERY FUND

14B NCAC 17 .0401 DEFINITIONS

In addition to the definitions in Article 2 of Chapter 74D of the General Statutes of North Carolina, the following definitions shall apply through this Section:

- (1) "Board" means the Alarm Systems Licensing Board.
- (2) "Fund" means the Recovery Fund of the Alarm Systems Licensing Act.
- (3) "Aggrieved Party" means a person who has suffered a direct or monetary loss because of a licensee's acts.
- (4) "Licensee" means a person who, at the time of the act complained of, was licensed by the Alarm Systems Licensing Board.
- (5) "Reimbursable Loss" means only those losses of money or other property that meet all of the following tests:
 - (a) the obligation was incurred on or after July 1, 1983;
 - (b) the loss was caused by a licensee defaulting on an obligation that was entered into by the licensee to perform alarm systems services; and
 - (c) the aggrieved party has exhausted all civil remedies against the licensee or his estate and has complied with these Rules.
 - (d) the following shall be excluded from "reimbursable losses":
 - (i) Losses of spouses, children, parents, grandparents, siblings, partners, associates and employees of the licensee causing the losses;

- (ii) Losses covered by any bond, surety agreement, or insurance contract to the extent covered thereby; and
- (iii) Losses which have been otherwise received from or paid by or on behalf of the licensee who defaulted on an obligation.

History Note: Authority G.S. 74D-30; 74D-31;
 Eff. June 1, 1990;
 Transferred and Recodified from 12 NCAC 11 .0401 Eff. July 1, 2015;
 Readopted Eff. June 1, 2018.

14B NCAC 17 .0402 PETITION FOR HEARING/APPLICATION FOR RELIEF
14B NCAC 17 .0403 PROCESSING APPLICATIONS

History Note: Authority G.S. 74D-31;
 Eff. June 1, 1990;
 Transferred and Recodified from 12 NCAC 11 .0402 and .0403 Eff. July 1, 2015;
 Repealed Eff. October 1, 2009 pursuant to G.S. 150B-21.7 (see S.L. 2009-557, s. 11).

SECTION .0500 - CONTINUING EDUCATION FOR LICENSEES

14B NCAC 17 .0501 DEFINITIONS

In addition to the definitions set forth in Rule .0103 of this Section, the following definitions shall apply to this Section:

- (1) "continuing education" or "CE" refers to any educational activity approved by the Board to be a continuing education activity.
- (2) "credit hour" means sixty minutes of continuing education instruction.
- (3) "year" refers to the calendar year after the issuance of a new or renewal license.
- (4) "licensee" shall refer to an individual who holds an alarm systems business license issued by the Board.
- (5) "registrant" shall refer to an individual who holds an alarm systems business registration permit issued by the Board.

History Note: Authority G.S. 74D-2; 74D-5;
 Eff. May 1, 1999;
 Amended Eff. July 18, 2002;
 Transferred and Recodified from 12 NCAC 11 .0501 Eff. July 1, 2015;
 Readopted Eff. June 1, 2018.

14B NCAC 17 .0502 REQUIRED CONTINUING EDUCATION HOURS

Each licensee shall complete a minimum of six credit hours of continuing education training during each two-year renewal period. Each registrant shall complete a minimum of three credit hours of continuing education training during each renewal period. Only registrants who engage in installation, service, sales, or monitoring of alarm systems shall be required to complete the continuing education requirements. Credit shall be given only for classes that have been preapproved by the Board using the criteria set forth in Rule .0503 of this Section. A licensee or registrant who attends a complete meeting of a regularly scheduled meeting of the Alarm Systems Licensing Board in person shall receive three credit hours for each meeting that the licensee or registrant attends and shall receive one credit hour for each meeting that the licensee or registrant views virtually. The Board-approved continuing education form showing the credit hours earned must be uploaded online and submitted with each licensee or registrant's online application submission.

History Note: Authority G.S. 74D-2; 74D-5;
 Eff. May 1, 1999;
 Amended Eff. July 18, 2002;
 Transferred and Recodified from 12 NCAC 11 .0502 Eff. July 1, 2015;
 Readopted Eff. June 1, 2018;
 Amended Eff. March 1, 2024; September 1, 2019.

14B NCAC 17 .0503 ACCREDITATION STANDARDS

(a) CE courses seeking to obtain the sanction of the Alarm Systems Licensing Board shall submit the following information to the Board:

- (1) the nature and purpose of the course;
- (2) the course objectives or goals;
- (3) the outline of the course, including the number of training hours for each segment; and
- (4) the identity of each instructor.

(b) To determine if a course will be sanctioned by the Alarm Systems Licensing Board, the Board shall complete the following review:

- (1) The matter shall be referred to the Education and Training Committee for the appointment of a sub-committee that shall review the course under consideration. The sub-committee shall consist of at least one member of the Education and Training Committee, one member of the Board's staff, and one industry licensee who has no vested interest in the course. Other members of the sub-committee may be appointed at the discretion of the Education and Training Committee Chairman.
- (2) The sub-committee shall review the course to determine if the course is pertinent to the industry and if the course meets its stated objectives.
- (3) When the sub-committee completes its review, it shall report to the Education and Training Committee. The Education and Training Committee shall review the course to determine if the course is pertinent to the industry and if the course meets its stated objective. The Education and Training Committee shall then report the findings with a recommendation of acceptance or denial to the Alarm Systems Licensing Board.
- (4) For any online course being reviewed by the Committee, the course sponsor shall allow the Committee to review the online course and any associated test and shall include with the application instructions and an access code for computer login.

(c) Upon receipt of the Education and Training Committee report, the Alarm Systems Licensing Board shall determine by majority vote if the course will be sanctioned for continuing education credits. In making its determination, the Board shall review the course to determine if the course is pertinent to the industry and if the course meets its stated objective.

(d) Each approved course shall remain an approved course for four years from the date of approval by the Board.

History Note: *Authority G.S. 74D-2; 74D-5;*
 Eff. May 1, 1999;
 Amended Eff. July 1, 2010; July 18, 2002;
 Transferred and Recodified from 12 NCAC 11 .0503 Eff. July 1, 2015;
 Readopted Eff. June 1, 2018.

14B NCAC 17 .0504 NON-RESIDENT LICENSEE OR REGISTRANT CONTINUING EDUCATION CREDITS

A non-resident licensee or registrant shall obtain the required continuing education credits as set forth in Rule .0502 of this Section. If a non-resident licensee or registrant resides in a state that requires continuing education for an alarm systems business license, then the continuing education courses to be offered in the state of residence may be considered by the North Carolina Alarm Systems Licensing Board for sanctioning in North Carolina on an individual course basis. In determining if the course is to be sanctioned, the Board shall review the course to determine if the course is pertinent to the industry and if the course meets its stated objective.

History Note: *Authority G.S. 74D-2; 74D-5;*
 Eff. May 1, 1999;
 Amended Eff. July 18, 2002;
 Transferred and Recodified from 12 NCAC 11 .0504 Eff. July 1, 2015;
 Readopted Eff. June 1, 2018.

14B NCAC 17 .0505 RECORDING AND REPORTING CONTINUING EDUCATION CREDITS

(a) Each licensee shall be responsible for recording and reporting continuing education credits to the Board at the time of license or registration renewal. For each course taken, the report shall include a certificate of course

completion that is signed by at least one course instructor, states the name of the licensee or registrant who completed the course, states the date of course completion, and states the number of hours taken by the licensee or registrant. Credit shall not be given if a certificate of course completion is dated more than two years from the license or registration permit renewal date. Each course instructor shall maintain a course roster and shall verify the identity of each participant by a government issued photo identification, such as a driver's license. This roster shall be delivered to the Board's office within two weeks of the completion date of the course.

(b) All online applications for renewal of a license or registration permit shall have CE Certificates uploaded, verifying completion of the required number of credit hours. If an applicant is filing an application designated as "new" and the applicant has been licensed or registered for any period of time within the previous two years, the applicant shall upload CE Certificates verifying completion of the required number of credit hours. An applicant shall not be required to submit a CE Certificate if the applicant is filing an application designated as a "transfer" or "duplicate" and if the applicant has a current registration card issued by the Board.

History Note: Authority G.S. 74D-2; 74D-5;
Eff. May 1, 1999;
Amended Eff. March 1, 2006; March 1, 2004; July 18, 2002;
Transferred and Recodified from 12 NCAC 11 .0505 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.
Amended Eff. September 1, 2019.

14B NCAC 17 .0506 NON-COMPLIANCE

If a licensee or registrant fails to comply with this Section of the rules, his or her license or registration permit shall not be renewed.

History Note: Authority G.S. 74D-2; 74D-5;
Eff. May 1, 1999;
Amended Eff. July 18, 2002;
Transferred and Recodified from 12 NCAC 11 .0506 Eff. July 1, 2015;
Readopted Eff. June 1, 2018.