MEMORANDUM

TO: Joint Legislative Commission on Governmental Operations

FROM: North Carolina Alarm Systems Licensing Board

DATE: December 11, 2018

RE: Proposed Licensing Fee Increase

The Alarm Systems Licensing Board (hereinafter "Board") is established pursuant to G.S. 74D and is charged with regulating the alarm systems industry in North Carolina. The Board is fee-funded and does not receive any support through the General Fund of the State of North Carolina. The Board currently has approximately 400 licensees and the Board charges a $375 biennial (2 year) licensing fee. The Board is proposing to increase the biennial licensing fee by $125.00 to $500.00. Pursuant to G.S. 74D-7, the Board is authorized to increase the biennial licensing fee to $500.00. The Board has seen a fund balance decrease of approximately $50,000 last year that was the result of increasing costs and a reduction in licensing and employee registration applications. Therefore, the proposed increase is necessary to cover the shortfall.

In order to increase the fee, the Board has filed a Notice of Text to amend rule 14B NCAC 17 .0203(a)(2) with the Office of Administrative Hearings, Rule Division. Pursuant to G.S. 12-3.1, the Board makes this filing with the Joint Legislative Commission on Governmental Operations.

NOTICE OF TEXT
[Authority G.S. 150B-21.2(c)]

OAH USE ONLY
VOLUME:
ISSUE:

CHECK APPROPRIATE BOX:

☒ **Notice with a scheduled hearing**
☐ **Notice without a scheduled hearing**
☐ **Republication of text. Complete the following cite for the volume and issue of previous publication, as well as blocks 1 - 4 and 7 - 13. If a hearing is scheduled, complete block 5.**
Previous publication of text was published in Volume: Issue:

1. Rule-Making Agency: Alarm Systems Licensing Board

2. Link to agency website pursuant to G.S. 150B-19.1(c): https://www.ncdps.gov/dps-services/permits-licenses/alarm-system-licensing-board

3. Proposed Action -- Check the appropriate box(es) and list rule citation(s) beside proposed action:

☐ **ADOPTION:**

☐ **READOPTION with substantive changes:**

☐ **READOPTION without substantive changes:**

☒ **AMENDMENT:** 14B NCAC 17 .0203

☐ **REPEAL:**

4. Proposed effective date: 5/1/19

5. Is a public hearing planned? ☒ **Yes** ☐ **No**

If yes: Public Hearing date: 1/30/18
Public Hearing time: 2:00pm
Public Hearing Location: Alarm Systems Licensing Board, 3101 Industrial Dr., Suite 104, Raleigh, NC 27609

6. If no public hearing is scheduled, provide instructions on how to demand a public hearing:

7. Explain Reason For Proposed Rule(s): The Board is fee funded and is not supported by the General Fund of the State of North Carolina. The Board has seen a fund balance decrease of approximately $50,000 in the last year; therefore, it is necessary to increase the licensing fee in order to cover costs. The Board is increasing the licensing application fee from three hundred seventy-five dollars ($375.00) to five hundred dollars ($500.00), an amount allowed pursuant to N.C.G.S. 74D-7. The Board has approximately 400 licenses; therefore, the $125 increase to the licensing fee will result in approximately $50,000 increased revenue.

8. Procedure for Subjecting a Proposed Rule to Legislative Review: If an objection is not resolved prior to the adoption of the rule, a person may also submit written objections to the Rules Review Commission. If the Rules Review Commission receives written and signed objections in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive those objections by mail, delivery service, hand delivery, or facsimile transmission. If you have any further questions concerning the submission of objections to the Commission, please call a Commission staff attorney at 919-431-3000.

☐ **Rule(s) is automatically subject to legislative review. Cite statutory reference:**

9. The person to whom written comments may be submitted on the proposed rule(s):
Name: Phil Stephenson, Field Services Supervisor
Address: 3101 Industrial Drive, Suite 104, Raleigh, NC 27609

Phone (optional): (919) 788-5320
Fax (optional): (919) 715-0370
E-Mail (optional): Phillip.Stephenson@ncdps.gov

10. Comment Period Ends:

11. Fiscal impact (check all that apply).
If this form contains rules that have different fiscal impacts, list the rule citations beside the appropriate impact.

- ☐ **State funds affected**
- ☐ **Environmental permitting of DOT affected**
  Analysis submitted to Board of Transportation
- ☐ **Local funds affected**
- ☐ **Substantial economic impact (≥$1,000,000)**
- ☐ **Approved by OSBM**
- ☒ **No fiscal note required by G.S. 150B-21.4**
- ☐ **No fiscal note required by G.S. 150B-21.3A(d)(2)**

12. Rule-making Coordinator: Jeffrey Gray

Address: Bailey & Dixon, LLP, PO box 1351, Raleigh, NC 27602

Phone: (919) 828-0731
E-Mail: jgray@bdixon.com

Agency contact, if any: Shannon Thongkheuang

Phone: (919) 788-5320
E-mail: Shannon.thongkheuang@ncdps.gov

13. The Agency formally proposed the text of this rule(s) on
Date: 1/15/2019

14. Signature of Agency Head* or Rule-making Coordinator:

Jeffrey P. Gray

***If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form.**

Typed Name: Jeffrey P. Gray

Title: Rule-making Coordinator

14B NCAC 17 .0203 FEES FOR LICENSES

(a) Application license fees shall be as follows:

(1) one hundred fifty dollars ($150.00) non-refundable initial application fee;

(2) ~~three hundred seventy-five dollar ($375.00)~~ 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 as follows:

(1) if the application is submitted by hand delivery, U.S. Mail, or delivery services, payment shall be by check or money order made payable to the Alarm Systems Licensing Board; or

(2) if the application if submitted online, payment shall be by credit card, e-check or other form of electronic funds.

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.