

§ 74D-2. Business and qualifying agent license requirements.

(a) License Required. – No person, firm, association, corporation, or department or division of a firm, association or corporation, shall engage in or hold itself out as engaging in a security systems business without first being licensed in accordance with this Chapter. A department or division of a firm, association, or corporation may be separately licensed under this Chapter if the distinct department or division, as opposed to the firm, association, or corporation as a whole, engages in a security systems business. The department or division shall ensure strict confidentiality of private security information, and the private security information of the department or division must, at a minimum, be physically separated from other premises of the firm, association, or corporation. For purposes of this Chapter a "security systems business" is defined as any person, firm, association or corporation that does any of the following:

- (1) Unless otherwise exempt, sells or attempts to sell a security system by engaging in any personal solicitation to advise, design, or consult on specific types and specific locations of security system devices.
- (2) Unless otherwise exempt, installs, services, monitors, or responds to electrical, wireless or hardwired electronic or mechanical alarm signal devices and security systems, integrated automation of a residence or business that includes a security element, burglar alarms, monitored access control, or cameras, analytic capturing devices, systems providing intelligence or other imaging devices used to detect or observe burglary, breaking or entering, intrusion, shoplifting, pilferage, theft, or other unauthorized or illegal activity.

(b) Repealed by Session Laws 1989, c. 730, s. 1.

(c) Qualifying Agent. – A business entity that is required to be licensed under this Chapter is subject to all of the requirements listed in this subsection with respect to a qualifying agent. For purposes of this Chapter, a "qualifying agent" is an individual who is a full-time employee in a management position who is licensed under this Chapter and whose name and address have been registered with the Board. The requirements are:

- (1) The business entity shall employ a designated qualifying agent who meets the requirements for a license issued under and who is, in fact, licensed under the provisions of this Chapter, unless otherwise approved by the Board. Service upon the qualifying agent appointed by the business entity of any process, notice or demand required by or permitted by law to be served upon the business entity by the Security Systems Licensing Board shall be binding upon the licensed business entity. Nothing herein contained shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon a business entity in any other manner or hereafter permitted by law.
- (2) Repealed by Session Laws 2009-328, s. 15, effective October 1, 2009.
- (3) In the event that the qualifying agent upon whom the business entity relies in order to do business ceases to perform his duties as qualifying agent, the business entity shall notify the board in writing by letter or using the Board's online form within 10 working days. The business entity must obtain a substitute qualifying agent within 90 days after the original qualifying agent ceases to serve as qualifying agent. The Director, in his or her discretion, may extend the 90-day period for good cause by an additional 30 days upon a written request of an officer of the company.
- (4) The license certificate shall list the name of the qualifying agent. No person shall serve as the qualifying agent for more than one business entity without the prior approval of the Board.
- (5) Repealed by Session Laws 2009-328, s. 15, effective October 1, 2009.

- (6) The qualifying agent shall be responsible for maintaining a current address and other contact information with the Board.
- (d) Minimum Qualifications for Security Systems License. – An applicant for qualifying agent shall meet all of the following requirements and qualifications:
- (1) The applicant is at least 18 years of age.
 - (2) The applicant is of good moral character and temperate habits. The following shall be prima facie evidence that the applicant does not have good moral character or temperate habits: conviction by any local, State, federal, or military court of any crime involving the illegal use, carrying, or possession of a firearm; conviction of any crime involving the illegal use, possession, sale, manufacture, distribution or transportation of a controlled substance, drug, narcotic, or alcoholic beverages; conviction of a crime involving felonious assault or an act of violence; conviction of a crime involving unlawful breaking or entering, burglary, larceny, or of any offense involving moral turpitude; or a history of addiction to alcohol or a narcotic drug; provided that, for purposes of this subsection, "conviction" means and includes the entry of a plea of guilty, plea of no contest, or a verdict rendered in open court by a judge or jury, including a prayer for judgment continued, adjudication withheld, or equivalent.
 - (3) The applicant has the necessary training, qualifications and experience to be licensed, or the applicant has successfully completed or kept current a Certified Alarm Technician Level I course offered by the Electronic Security Association or equivalent course approved by the Board.
- (e) Repealed by Session Laws 2025-51, s. 1(a), effective October 1, 2025.
- (f) Confidentiality. – Except for purposes of administering the provisions of this section and for law enforcement purposes, the home address or telephone number of an applicant, licensee, or the spouse, children, or parents of an applicant or licensee is confidential under G.S. 132-1.2, and the Board shall not disclose this information unless the applicant or licensee consents to the disclosure. The provisions of this subsection shall not apply when a licensee's home address or telephone number is also the licensee's business address and telephone number. Violation of this subsection shall constitute a Class 3 misdemeanor.
- (g) [Out-of-State Monitoring Companies. –] An alarm monitoring company located in another state and licensed by that state which demonstrates to the Board's satisfaction that it does not conduct any business through a personal representative present in this State, but which solicits and conducts business solely through interstate communication facilities, such as telephone, the internet, and the United States Postal Service, upon receipt by the Board of a certificate of good standing from the state of licensure is not required to register employees pursuant to G.S. 74D-8. Out-of-state monitoring companies not licensed in any state must be licensed by the Board and must register employees pursuant to G.S. 74D-8.
- (h) [Companies Licensed Under Chapter 74C of the General Statutes. –] A security guard and patrol company licensed under Chapter 74C of the General Statutes that remotely monitors access control, cameras, analytic capturing devices, systems providing intelligence, or other imaging devices shall obtain a separate limited monitoring license and may utilize the same qualifying agent for the limited license as utilized for its security guard and patrol license and shall not be required to meet the requirements of G.S. 74D-2(c)(4) and (d)(3) or hold a low voltage electrical license. The qualifying agent must successfully complete a central station monitoring operator course approved by the Board. (1983, c. 786, s. 1; 1985, c. 561, s. 1; 1989, c. 730, s. 1; 1991 (Reg. Sess., 1992), c. 953, s. 1; 1999-446, s. 2; 2002-147, s. 4; 2009-328, s. 15; 2009-557, s. 1; 2017-211, s. 5(a); 2025-51, s. 1(a).)