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# Rulemaking Hearing Rule(s) Filing Form

*Rulemaking Hearing Rules are rules filed after and as a result of a rulemaking hearing. TCA Section 4-5-205*

**Agency/Board/Commission:** Tennessee Alarm Systems Contractors Board  
**Division:** Division of Regulatory Boards  
 Department of Commerce and Insurance  
**Contact Person:** Andrew H. Simpson  
**Address:** Davy Crockett Tower, 5<sup>th</sup> Floor  
 500 James Robertson Pkwy.  
 Nashville, Tennessee  
**Zip:** 37243  
**Phone:** 615-741-3072  
**Email:** [Andrew.simpson@tn.gov](mailto:Andrew.simpson@tn.gov)

**Revision Type (check all that apply):**

- Amendment  
 New  
 Repeal

**Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)**

Chapter Number	Chapter Title
0090-01	General Provisions
Rule Number	Rule Title
0090-01-.02	Definitions
0090-01-.03	Restrictions and Exclusions
0090-01-.05	Employee Registration Requirements
0090-01-.06	Qualifying Agent Requirements
0090-01-.07	Alarm Systems Contractor Requirements
0090-01-.08	Insurance Requirements
0090-01-.10	Renewal of Certification and License
0090-01-.12	Fingerprinting

Chapter Number	Chapter Title
0090-05	Continuing Education
Rule Number	Rule Title
0090-05-.01	Continuing Education Requirements

Chapter 0090-01  
General Provisions

Amendments

Rule 0090-01-.02 Definitions is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

- (1) **ACCESS CONTROL** – Electronic, electrical, or computer-based devices that is designed to detect or signal an alarm and controls the access of a person, vehicle, or object through a door, gate, or entrance into the controlled area of a residence or business. For licensing and certification purposes, access control would be considered a burglar alarm system. The term does not include:
  - (a) A mechanical device, such as a deadbolt or lock; or
  - (b) An operator for opening or closing a commercial gate or door or an accessory, such as a fixed or portal transmitter, if the operator or accessory is used only to activate the gate or door and is not monitored by an alarm system.
- (2) **ALARM RUNNER** – An employee of a licensed contract security company or alarm systems contractor whose primary responsibility is direct response to an alarm condition at the premises where the alarm signal originated.
- (3) **BRANCH OFFICE** – Any physical location at which an alarm systems contractor conducts any activity relating to the sale, installation, servicing and/or monitoring of alarm systems, including but not limited to offices where administrative, marketing and/or other alarm business functions are performed. The only exceptions shall be as follows:
  - (a) Warehouse facilities which are utilized solely for storage purposes; and
  - (b) Locations not accessible to the general public which have no signage, advertising or other outward indication to the public that the alarm systems contractor conducts its business there and from which no direct sales, marketing or installations take place.
- (4) **BURGLAR ALARM SYSTEM** – An alarm or monitoring system, including but not limited to access control that has the primary function of detecting or responding to emergencies other than fire.
- (5) **CLERICAL EMPLOYEE** – An employee of an alarm systems contractor whose primary responsibility is maintenance of records, letters, or correspondence related to specific alarm systems.
- (6) **CLOSED CIRCUIT TELEVISION** – An alarm system that provides video surveillance of events primarily by means of transmission and recording of visual signals through the use of film, cameras, receivers, and other visual imaging systems. Closed circuit television systems may also include as secondary functions audio and related electrical signals.
- (7) **DESIGNATED QUALIFYING AGENT** – The Qualifying Agent designated by the certified contractor to be responsible for compliance with state law.
- (8) **LICENSURE** – The authority granted by the Board for an individual to serve as a Qualifying Agent.
- (9) **MANAGERIAL EMPLOYEE** – An employee of an alarm systems contractor whose primary responsibility is supervising the activity of other employees.
- (10) **MONITORING CENTER EMPLOYEE** – An employee of an alarm systems contractor whose primary responsibility is to monitor alarm systems and/or receive signals and provide an appropriate response to an alarm condition.

- (11) **NATIONALLY RECOGNIZED TRAINING PROGRAM** – A course or educational training program as further described in Chapter 0090-3 of the Board’s rules, for one or more segments of the alarm industry that is recognized for high quality training of alarm professionals.
- (12) **PORTABLE INVESTIGATIVE EQUIPMENT** – Surveillance equipment, devices and associated wiring that is not permanently attached to a building or other structure.
- (13) **REGISTRANT** – An individual employee of an alarm systems contractor, other than a Qualified Agent, who has been found to meet the requirements established by the Board for his or her job classification.
- (14) **RESPONSIBLE CHARGE** – The duty of answering questions relevant to the technical and business decisions regarding alarm systems contracting in sufficient detail as to leave little doubt as to the Qualifying Agent’s proficiency for the work performed and familiarity with the alarm systems contractor’s day to day business operations.
- (15) **SALES REPRESENTATIVE** – An employee of an alarm systems contractor whose primary responsibility is direct contact with an existing or potential customer with the intent to sell alarm equipment or services.
- (16) **SERVICE** – The inspection, maintenance or repair of an alarm system.
- (17) **TECHNICAL EMPLOYEE** – An employee of an alarm systems contractor whose primary responsibility is the installation or service of equipment used in alarm systems.

Authority: T.C.A. §§62-32-303, 62-32-303, and 62-32-307.

Paragraph (5) of Rule 0090-01-.03 Restrictions and Exclusions is amended by deleting the text of the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (5) shall read:

- (5) A licensed private investigator or investigations company may sell a closed circuit television system to a client without obtaining a certification from the Board only under the following circumstances:
  - (a) The system was initially installed for a client on a temporary basis to aid in an investigation that was being performed by the licensed private investigator or investigations company; and
  - (b) The client subsequently made a request to purchase the system.

Authority: T.C.A. §§62-32-303, 62-32-304, 62-32-305, and 62-32-307.

Rule 0090-01-.03 Restrictions and Exclusions is amended by adding new paragraphs (9), (10), (11), (12), (13), (14), (15), and (16) as follows:

- (9) Manually activated fire suppression (extinguishing) systems and fire suppression systems not connected to a fire alarm system are not alarm systems as defined by T.C.A. §62-32-303(1)(A). Fire alarm systems that activate fire suppression systems are considered alarm systems as defined by T.C.A. §62-32-303(1)(A).
- (10) The manufacture and sale of mobile homes containing alarm systems do not require certification under the Alarm Contractors Licensing Act of 1991. The servicing and monitoring of such systems do require certification.
- (11) Non-profit organizations may furnish and/or install single station smoke detectors, which are not part of an alarm system, in a residential occupancy without obtaining a certification from the Board.

- (12) For purposes of T.C.A. §62-32-305(13), an affiliate of a hospital shall include, but is not limited to, nursing home facilities, mental health care facilities, home health care agencies, home care agencies, and any other governmental health agency. The Tennessee Home and Community Based Services Waiver Program shall be considered an affiliate of a hospital. Companies or organizations which offer medical monitoring services shall be exempt from licensure under this chapter only if such services are made available by a hospital or an affiliate of a hospital.
- (13) A certified alarm systems contractor possessing a classification to engage in one type of alarm system activity (e.g., fire or burglar) may engage in installations outside of the designated classification without obtaining an additional classification provided that such work is minor, incidental, and/or supplemental to the performance of work in the classification possessed by the certified alarm systems contractor. The submission of bids outside of an alarm systems contractor's certified classification shall not be deemed minor, incidental, and/or supplemental to the performance of work in the classification possessed by the certified alarm systems contractor.
- (14) A company installing, servicing, maintaining, and/or monitoring its own burglar and/or fire alarm system(s) on the premises of the company shall not be required to be certified by this Board, so long as the following conditions are satisfied:
- (a) The alarm system(s) shall be the exclusive property of, or leased by, the company;
  - (b) The alarm system(s) shall be designed to protect only premises owned or leased by the company;
  - (c) Personnel engaging in the installation, servicing, maintenance, and/or monitoring of the alarm system(s) shall be employees of the company; and
  - (d) If the company is engaged in the monitoring of its own alarm system(s), such monitoring shall be performed on the premises by the company's own employees upon the premises.
- (15) For purposes of T.C.A. §62-32-303(2), the term "alarm systems contractor" shall not include individuals or entities who own contracts or lease documents relative to alarm equipment, installation, and/or monitoring and whose activities are limited as follows:
- (a) The individual or entity does not actually sell, install, service, or monitor alarm systems; however, they may enter into subcontracts with Tennessee licensed alarm systems contractors for the provision of equipment servicing and/or monitoring services; and
  - (b) The individual or entity, its officers, employees, and/or agents do not have access to sensitive information relative to the system or the system user unless such officer, employee, and/or agent shall have undergone a criminal background check satisfactory to the Board.
- (16) Red light violation monitoring systems are not alarm systems as defined in T.C.A. § 62-32-303(1).

Authority: T.C.A. §§62-32-303, 62-32-304, 62-32-305, and 62-32-307.

Rule 0090-01-.05 Employee Registration Requirements is amended by adding new paragraphs (10), (11), (12), (13), and (14) as follows:

- (10) A registration applicant is not eligible to transfer to another alarm systems contractor while still under application. An applicant who does not complete the application process to become a registrant prior to changing employment to another alarm systems contractor shall be required to reapply and shall submit a new application under the new alarm systems contractor, along with the appropriate application fees, fingerprint cards, and photos.

- (11) An active registrant who voluntarily changes employment to another alarm systems contracting company must submit a completed transfer form, two (2) photos, and the required fifty dollar (\$50.00) transfer fee.
- (12) Any registrant who works for more than one alarm systems contractor must complete a separate application for each employer, with all required documentation and fees. A separate identification badge will be issued under each company employer.
- (13) Operators and/or dispatchers who monitor burglar or fire alarm systems and/or closed circuit television systems must be licensed or registered with the Board, as they are deemed to have access to sensitive information pursuant to T.C.A. § 62-32-312(a).
- (14) An employee of an alarm systems contractor which is required to be registered under this Act, is not permitted to engage in alarm systems contracting unless such employee's application has been received by the Board within thirty (30) working days of employment. "Working days" shall be defined as Monday through Friday and shall include any holidays which may fall on those days, except where the thirtieth day falls on a state or federal holiday, in which case the contractor shall have until 4:30 p.m. central time on the next day during which the State of Tennessee offices are open for business to file an application.

Authority: T.C.A. §§ 62-32-307, 62-32-312, 62-32-312, 62-32-318 and 62-32-320.

Rule 0090-01-.06 Qualifying Agent Requirements is amended by adding new paragraphs (10), (11), (12), and (13) as follows:

- (10) A qualifying agent applicant is not eligible to transfer to another alarm systems contractor while still under application. An applicant who does not complete the application process to become a licensed qualifying agent prior to changing employment to another alarm systems contractor shall be required to reapply and shall submit a new application under the new alarm systems contractor, along with the appropriate application fees, fingerprint cards, and photos.
- (11) Qualifying agent applicants who, prior to the issuance of their license, change from an alarm systems contractor employee to "independent" or from "independent to an alarm systems contractor employee, shall be eligible to transfer one (1) time during the application process by submitting a completed transfer form without the fifty dollar (\$50.00) transfer fee. An applicant must submit a new application along with the appropriate fee for any additional transfers.
- (12) A qualifying agent who voluntarily changes employment to another alarm systems contractor must submit a completed transfer form, two (2) photos, and the required fifty dollar (\$50.00) transfer fee.
- (13) A designated qualifying agent shall respond in writing within twenty (20) business days to any complaint filed against the designated qualifying agent or the alarm systems contractor by which the designated qualifying agent is employed.

Authority: T.C.A. §§ 62-32-303, 62-32-304, 62-32-307, 62-32-313, 62-32-316, and 62-32-320.

Rule 0090-01-.07 Alarm Systems Contractor Requirements is amended by adding new paragraphs (12), (13), and (14) as follows:

- (12) The requirements of T.C.A. § 62-32-316(d) shall apply to all forms of advertising including, but not limited to, print, radio, television, or internet advertising. The term "display" shall include verbal or audio broadcast of the certification number. Signs or letters attached to or in front of a building in which the alarm contractor's place of business is located need not contain the contractor's certification number if intended solely to notify the public of the location of the alarm systems contractor. If such sign contains any other wording regarding specific services and/or specials

offered with regard to alarm systems, the sign will be deemed to be an advertisement and must contain the contractor's certification number.

- (13) "Regular place of business at a permanent fixed location," as used in T.C.A. § 62-32-314(a)(1) refers to the permanent physical location of the alarm systems contractor. The alarm systems contractor must provide the address of its physical location to the Board upon initial application and within thirty (30) days of a change of business address. Post office boxes and mail drops do not satisfy this requirement.
- (14) An alarm systems contractor shall respond in writing within twenty (20) business days to any complaint filed against the contractor. Failure by an alarm systems contractor to respond to such complaint shall be grounds for discipline, including but not limited to, a civil penalty of up to five thousand dollars (\$5,000.00) and/or suspension or revocation of licensure in accordance with T.C.A. § 62-32-320.

Authority: T.C.A. §§ 62-32-307, 62-32-314, 62-32-316, and 62-32-320.

Rule 0090-01-.08 Insurance Requirements is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

- (a) No certification can be issued under this part until the applicant files with the Board, on a form approved by the Board, evidence of insurance that meets all of the requirements as set forth in T.C.A. § 62-32-315.
- (b) All Board investigators and any other State of Tennessee Department of Commerce and Insurance investigators may request at any time proof of insurance from an alarm systems contractor. Failure by an alarm systems contractor to produce such proof immediately upon request shall be grounds for discipline, including but not limited to, a civil penalty of up to five thousand dollars (\$5,000.00) and/or suspension or revocation of licensure in accordance with T.C.A. § 62-32-320.

Authority: T.C.A. §§ 62-32-307, 62-32-315, and 62-32-320.

Paragraph (4) of Rule 0090-01-.10 Renewal of Certification and License is amended by deleting the text of the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (4) shall read:

- (4) The Board shall notify every company certificate holder and qualifying agent licensee by mail to the last known business address of the date of expiration of such certificate or license and the fee required for its renewal for two (2) years.

Authority: T.C.A. §§62-32-307, 62-32-307(c), 62-32-313, and 62-32-317.

Paragraph (9) of Rule 0090-01-.10 Renewal of Certification and License is amended by deleting the text of the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (9) shall read:

- (9) No company certificate holder or qualifying agent licensee shall receive a renewal when such company or agent has been in default in complying with T.C.A. § 62-32-301 *et seq.* for a period of three (3) months. In such an event, the alarm systems contractor or qualifying agent, in order to qualify under the law, shall make new application and meet all current requirements to obtain a new certificate or license.

Authority: T.C.A. §§62-32-307, 62-32-313, and 62-32-317.

Rule 0090-01-.12 Fingerprinting is amended by adding a new paragraph (4) as follows:

- (4) In the event an applicant's fingerprint cards are rejected by the TBI or the FBI two (2) times, the applicant shall submit new fingerprint cards along with payment of any fees charged by the TBI or FBI for processing of such fingerprints prior to the third submission.

Authority: T.C.A. §§ 62-32-307, 62-32-312, 62-32-313, and 62-32-318.

Chapter 0090-5  
Continuing Education

Amendments

Paragraph (1) of Rule 0090-05-.01 Continuing Education Requirements is amended by deleting the text of the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (1) shall read:

- (1) As a prerequisite for the renewal of a license, a qualifying agent shall obtain sixteen (16) hours of Board-approved instruction in the alarm industry during the two (2) year period prior to the expiration of such license.

Authority: T.C.A. §§ 62-32-307, and 62-32-313.

Paragraph (4) of Rule 0090-05-.01 Continuing Education Requirements is amended by deleting the text the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (4) shall read:

- (4) For fire alarm licensure, the qualifying agent must complete a course in fire alarm installation and monitoring prior to the first renewal of such license unless this certification was presented for approval of initial licensing. For purposes of meeting this requirement, the individual must obtain certification by a national training program approved by the Board for qualifying education in the fire alarm classification.

Authority: T.C.A. §§ 62-32-307, and 62-32-313.

Rule 0090-05-.01 Continuing Education Requirements is amended by adding a new paragraph (6) as follows:

- (6) The Board shall award qualifying agents four (4) hours of continuing education credits for attendance at the Board meeting. Qualifying agents who elect to attend a meeting for credit must complete the sign-in sheet for qualifying agents prior to the start of the Board meeting. The credits will only be available to qualifying agents for two (2) Board meetings per renewal period for a maximum of eight (8) hours of credit.

Authority: T.C.A. §§ 62-32-307, and 62-32-313.

\* If a roll-call vote was necessary, the vote by the Agency on these rulemaking hearing rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Ken Roberts	X				
Keith Harvey	X				
Vivian Hixson	X				
Karen Jones	X				
Steve Tucker				X	

I certify that this is an accurate and complete copy of rulemaking hearing rules, lawfully promulgated and adopted by the Tennessee Alarm Systems Contractors Board on February 24, 2011 and is in compliance with the provisions of TCA 4-5-222.

I further certify the following:

Notice of Rulemaking Hearing filed with the Department of State on: 12/30/2010

Rulemaking Hearing(s) Conducted on: (add more dates). 02/24/2011



Date: March 16, 2012

Signature: [Handwritten Signature]

Name of Officer: Andrew H. Simpson

Title of Officer: Assistant General Counsel, Dept. of Commerce/Insurance

Subscribed and sworn to before me on: 3/16/12

Notary Public Signature: [Handwritten Signature]

My commission expires on: 5/16/12

All rulemaking hearing rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, and Chapter 5.

[Handwritten Signature]  
 Robert E. Cooper, Jr.  
 Attorney General and Reporter  
3-28-12  
 Date

Department of State Use Only

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 PUBLICATIONS

Filed with the Department of State on: 03/30/2012

Effective on: 06/28/2012

[Handwritten Signature]  
 Tre Hargett  
 Secretary of State

There were no public comments or written comments submitted to the Board in regards to the proposed rules at the Rulemaking Hearing, conducted on February 24, 2011.

### **Regulatory Flexibility Addendum**

Pursuant to T.C.A. § 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

#### **Economic Impact Statement:**

1. Types and estimated number of small businesses directly affected:

All businesses, small or large, applying for company certification and those businesses that currently possess an alarm systems contractors license.

2. Projected reporting, recordkeeping, and other administrative costs:

There are no additional projected reporting, recordkeeping, or other administrative costs associated with these proposed rules.

3. Probable effect on impacted small businesses and consumers:

There will be no probable effect on impacted small businesses and consumers as a result of these proposed rules.

4. Less burdensome, intrusive, or costly alternative methods:

There is no known less burdensome, intrusive or costly alternative methods.

5. Comparison with federal and state counterparts:

These rules appear to comport with other similar state and federal laws.

6. Effect of possible exemption of small businesses:

There will be no exemptions created by these rules.

**Public Hearing Comments**

## **Impact on Local Governments**

Pursuant to T.C.A. 4-5-220 and 4-5-228 “any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments.” (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

The rules, adopted herein by the Tennessee Alarm Systems Contractors Board at the rulemaking hearing held on February 24, 2010, will have no significant impact on local governments.

## Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to TCA 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

These rulemaking hearing rules amend previously adopted rules by adding new definitions, exclusions, employee registration requirements, qualifying agent requirements, continuing education requirements, and new alarm systems contractor requirements.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

The proposed amendments and new rules of the Board are made pursuant to Tenn. Code Ann. §§62-32-307(a) and (b).

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

The amendments to the Alarm Systems Contractor rules will affect alarm systems contractors, qualifying agents (including designated qualifying agents), and registered employees of alarm contractors. A Notice of Rulemaking Hearing was filed on December 30, 2010, and published in the January, 2011 Tennessee Administrative Record. Notice was published on the Board's website. A public hearing was held on February 24, 2011. There were no public comments on these rules.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

I am unaware of any opinion of the attorney general or any judicial ruling which directly relates to these rules.

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

These rules are expected to have no fiscal impact on the Department.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Cody Vest, Executive Director of the Tennessee Alarm Systems Contractors Board, and Andrew H. Simpson, Assistant General Counsel, Regulatory Division, Department of Commerce and Insurance.

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Andrew H. Simpson, Assistant General Counsel for Regulatory Boards, Department of Commerce and Insurance.

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and [andrew.simpson@tn.gov](mailto:andrew.simpson@tn.gov)

Department of Commerce and Insurance, Office of Legal Counsel, 500 James Robertson Parkway, 5<sup>th</sup> Floor, Davy Crockett Tower, Nashville, Tennessee 37243, (615) 253-7979.

(l) Any additional information relevant to the rule proposed for continuation that the committee requests.

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**Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)**

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Chapter Number	Chapter Title
0090-05	Continuing Education
Rule Number	Rule Title
0090-05-.01	Continuing Education Requirements

Chapter 0090-01  
General Provisions

Amendments

Rule 0090-01-.02 Definitions is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

- (1) ~~QUALIFYING AGENT—An individual licensed by the Board whose qualifications have been demonstrated to the Board for overseeing and supervising alarm systems contractor operations of fire, burglar, closed circuit television, and/or monitoring.~~
- (2) ~~DESIGNATED QUALIFYING AGENT—The Qualifying Agent designated by the certified contractor to be responsible for compliance with state law.~~
- (3) ~~RESPONSIBLE CHARGE—Capable of answering questions relevant to the technical and business decisions regarding alarm systems contracting in sufficient detail as to leave little doubt as to the Qualifying Agent's proficiency for the work performed and familiarity with the alarm systems contractor's day to day business operations.~~
- (4) ~~CLERICAL EMPLOYEE—An employee of an alarm systems contractor whose primary responsibility is maintenance of records, letters, or correspondence related to specific alarm systems.~~
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- (6) ~~TECHNICAL EMPLOYEE—An employee of an alarm systems contractor whose primary responsibility is the installation, service, or repair of equipment used in alarm systems.~~
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- (9) ~~ALARM RUNNER—An employee of a licensed contract security company or alarm systems contractor whose primary responsibility is direct response to an alarm condition at the premises where the alarm signal originated.~~
- (10) ~~CERTIFICATION—The authority granted by the Board to a business entity to do business as an alarm systems contractor.~~
- (11) ~~REGISTRANT—An individual employee of an alarm systems contractor, other than a Qualified Agent, who has been found to meet the requirements established by the Board for their job classification.~~
- (12) ~~LICENSURE—The authority granted by the Board for an individual to serve as a Qualifying Agent.~~
- (13) ~~BOARD—The Alarm Systems Contractors Board as established by T.C.A., Title 62, Chapter 32.~~
- (14) ~~PORTABLE INVESTIGATIVE EQUIPMENT—Surveillance equipment, devices and associated wiring that is not permanently attached to a building or other structure.~~

- ~~(15) — **NATIONALLY RECOGNIZED TRAINING PROGRAM** — A course or educational training program as further described in Chapter 0090-3 of the Board's rules, for one or more segments of the alarm industry that is recognized for high-quality training of alarm professionals.~~
- ~~(16) — **CLOSED CIRCUIT TELEVISION** — An alarm system that provides video surveillance of events primarily by means of transmission and recording of visual signals through the use of film, cameras, receivers, and other visual imaging systems. Closed circuit television systems may also include as secondary functions audio and related electrical signals.~~
- ~~(17) — **SERVICE** — The inspection, maintenance or repair of an alarm system.~~
- ~~(18) — **BURGLAR ALARM SYSTEM** — An alarm or monitoring system, including but not limited to access control, which has the primary function of detecting and/or responding to emergencies other than fire.~~
- ~~(19) — **ACCESS CONTROL** — Electronic, electrical, or computer-based devices, designed to detect or signal an alarm, which controls the access of a person, vehicle, or object through a door, gate, or entrance into the controlled area of a residence or business. For licensing and certification purposes, access control would be considered a burglar alarm system. The term does not include:~~
- ~~(a) — A mechanical device, such as a deadbolt or lock; or~~
- ~~(b) — An operator for opening or closing a commercial gate or door or an accessory, such as a fixed or portal transmitter, if the operator or accessory is used only to activate the gate or door and is not monitored by an alarm system.~~
- (1) — **ACCESS CONTROL** — Electronic, electrical, or computer-based devices that is designed to detect or signal an alarm and controls the access of a person, vehicle, or object through a door, gate, or entrance into the controlled area of a residence or business. For licensing and certification purposes, access control would be considered a burglar alarm system. The term does not include:
- (a) — A mechanical device, such as a deadbolt or lock; or
- (b) — An operator for opening or closing a commercial gate or door or an accessory, such as a fixed or portal transmitter, if the operator or accessory is used only to activate the gate or door and is not monitored by an alarm system.
- (2) — **ALARM RUNNER** — An employee of a licensed contract security company or alarm systems contractor whose primary responsibility is direct response to an alarm condition at the premises where the alarm signal originated.
- (3) — **BRANCH OFFICE** — Any physical location at which an alarm systems contractor conducts any activity relating to the sale, installation, servicing and/or monitoring of alarm systems, including but not limited to offices where administrative, marketing and/or other alarm business functions are performed. The only exceptions shall be as follows:
- (a) — Warehouse facilities which are utilized solely for storage purposes; and
- (b) — Locations not accessible to the general public which have no signage, advertising or other outward indication to the public that the alarm systems contractor conducts its business there and from which no direct sales, marketing or installations take place.
- (4) — **BURGLAR ALARM SYSTEM** — An alarm or monitoring system, including but not limited to access control that has the primary function of detecting or responding to emergencies other than fire.

- (5) CLERICAL EMPLOYEE – An employee of an alarm systems contractor whose primary responsibility is maintenance of records, letters, or correspondence related to specific alarm systems.
- (6) CLOSED CIRCUIT TELEVISION – An alarm system that provides video surveillance of events primarily by means of transmission and recording of visual signals through the use of film, cameras, receivers, and other visual imaging systems. Closed circuit television systems may also include as secondary functions audio and related electrical signals.
- (7) DESIGNATED QUALIFYING AGENT – The Qualifying Agent designated by the certified contractor to be responsible for compliance with state law.
- (8) LICENSURE – The authority granted by the Board for an individual to serve as a Qualifying Agent.
- (9) MANAGERIAL EMPLOYEE – An employee of an alarm systems contractor whose primary responsibility is supervising the activity of other employees.
- (10) MONITORING CENTER EMPLOYEE – An employee of an alarm systems contractor whose primary responsibility is to monitor alarm systems and/or receive signals and provide an appropriate response to an alarm condition.
- (11) NATIONALLY RECOGNIZED TRAINING PROGRAM – A course or educational training program as further described in Chapter 0090-3 of the Board's rules, for one or more segments of the alarm industry that is recognized for high quality training of alarm professionals.
- (12) PORTABLE INVESTIGATIVE EQUIPMENT – Surveillance equipment, devices and associated wiring that is not permanently attached to a building or other structure.
- (13) REGISTRANT – An individual employee of an alarm systems contractor, other than a Qualified Agent, who has been found to meet the requirements established by the Board for his or her job classification.
- (14) RESPONSIBLE CHARGE – The duty of answering questions relevant to the technical and business decisions regarding alarm systems contracting in sufficient detail as to leave little doubt as to the Qualifying Agent's proficiency for the work performed and familiarity with the alarm systems contractor's day to day business operations.
- (15) SALES REPRESENTATIVE – An employee of an alarm systems contractor whose primary responsibility is direct contact with an existing or potential customer with the intent to sell alarm equipment or services.
- (16) SERVICE – The inspection, maintenance or repair of an alarm system.
- (17) TECHNICAL EMPLOYEE – An employee of an alarm systems contractor whose primary responsibility is the installation or service of equipment used in alarm systems.

Authority: T.C.A. §§62-32-303, 62-32-303, and 62-32-307.

Paragraph (5) of Rule 0090-01-.03 Restrictions and Exclusions is amended by deleting the text of the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (5) shall read:

- ~~(5) The Board recognizes that Portable Investigative Equipment is not an alarm system as defined by T.C.A. §62-32-303(1)(A).~~
- (5) A licensed private investigator or investigations company may sell a closed circuit television system to a client without obtaining a certification from the Board only under the following circumstances:

- (a) The system was initially installed for a client on a temporary basis to aid in an investigation that was being performed by the licensed private investigator or investigations company; and
- (b) The client subsequently made a request to purchase the system.

Authority: T.C.A. §§62-32-303, 62-32-304, 62-32-305, and 62-32-307.

Rule 0090-01-.03 Restrictions and Exclusions is amended by adding new paragraphs (9), (10), (11), (12), (13), (14), (15), and (16) as follows:

- (9) Manually activated fire suppression (extinguishing) systems and fire suppression systems not connected to a fire alarm system are not alarm systems as defined by T.C.A. §62-32-303(1)(A). Fire alarm systems that activate fire suppression systems are considered alarm systems as defined by T.C.A. §62-32-303(1)(A).
- (10) The manufacture and sale of mobile homes containing alarm systems do not require certification under the Alarm Contractors Licensing Act of 1991. The servicing and monitoring of such systems do require certification.
- (11) Non-profit organizations may furnish and/or install single station smoke detectors, which are not part of an alarm system, in a residential occupancy without obtaining a certification from the Board.
- (12) For purposes of T.C.A. §62-32-305(13), an affiliate of a hospital shall include, but is not limited to, nursing home facilities, mental health care facilities, home health care agencies, home care agencies, and any other governmental health agency. The Tennessee Home and Community Based Services Waiver Program shall be considered an affiliate of a hospital. Companies or organizations which offer medical monitoring services shall be exempt from licensure under this chapter only if such services are made available by a hospital or an affiliate of a hospital.
- (13) A certified alarm systems contractor possessing a classification to engage in one type of alarm system activity (e.g., fire or burglar) may engage in installations outside of the designated classification without obtaining an additional classification provided that such work is minor, incidental, and/or supplemental to the performance of work in the classification possessed by the certified alarm systems contractor. The submission of bids outside of an alarm systems contractor's certified classification shall not be deemed minor, incidental, and/or supplemental to the performance of work in the classification possessed by the certified alarm systems contractor.
- (14) A company installing, servicing, maintaining, and/or monitoring its own burglar and/or fire alarm system(s) on the premises of the company shall not be required to be certified by this Board, so long as the following conditions are satisfied:
  - (a) The alarm system(s) shall be the exclusive property of, or leased by, the company;
  - (b) The alarm system(s) shall be designed to protect only premises owned or leased by the company;
  - (c) Personnel engaging in the installation, servicing, maintenance, and/or monitoring of the alarm system(s) shall be employees of the company; and
  - (d) If the company is engaged in the monitoring of its own alarm system(s), such monitoring shall be performed on the premises by the company's own employees upon the premises.
- (15) For purposes of T.C.A. §62-32-303(2), the term "alarm systems contractor" shall not include individuals or entities who own contracts or lease documents relative to alarm equipment, installation, and/or monitoring and whose activities are limited as follows:

- (a) The individual or entity does not actually sell, install, service, or monitor alarm systems; however, they may enter into subcontracts with Tennessee licensed alarm systems contractors for the provision of equipment servicing and/or monitoring services; and
- (b) The individual or entity, its officers, employees, and/or agents do not have access to sensitive information relative to the system or the system user unless such officer, employee, and/or agent shall have undergone a criminal background check satisfactory to the Board.

(16) Red light violation monitoring systems are not alarm systems as defined in T.C.A. § 62-32-303(1).

Authority: T.C.A. §§62-32-303, 62-32-304, 62-32-305, and 62-32-307.

Rule 0090-01-.05 Employee Registration Requirements is amended by adding new paragraphs (10), (11), (12), (13), and (14) as follows:

- (10) A registration applicant is not eligible to transfer to another alarm systems contractor while still under application. An applicant who does not complete the application process to become a registrant prior to changing employment to another alarm systems contractor shall be required to reapply and shall submit a new application under the new alarm systems contractor, along with the appropriate application fees, fingerprint cards, and photos.
- (11) An active registrant who voluntarily changes employment to another alarm systems contracting company must submit a completed transfer form, two (2) photos, and the required fifty dollar (\$50.00) transfer fee.
- (12) Any registrant who works for more than one alarm systems contractor must complete a separate application for each employer, with all required documentation and fees. A separate identification badge will be issued under each company employer.
- (13) Operators and/or dispatchers who monitor burglar or fire alarm systems and/or closed circuit television systems must be licensed or registered with the Board, as they are deemed to have access to sensitive information pursuant to T.C.A. § 62-32-312(a).
- (14) An employee of an alarm systems contractor which is required to be registered under this Act, is not permitted to engage in alarm systems contracting unless such employee's application has been received by the Board within thirty (30) working days of employment. "Working days" shall be defined as Monday through Friday and shall include any holidays which may fall on those days, except where the thirtieth day falls on a state or federal holiday, in which case the contractor shall have until 4:30 p.m. central time on the next day during which the State of Tennessee offices are open for business to file an application.

Authority: T.C.A. §§ 62-32-307, 62-32-312, 62-32-312, 62-32-318 and 62-32-320.

Rule 0090-01-.06 Qualifying Agent Requirements is amended by adding new paragraphs (10), (11), (12), and (13) as follows:

- (10) A qualifying agent applicant is not eligible to transfer to another alarm systems contractor while still under application. An applicant who does not complete the application process to become a licensed qualifying agent prior to changing employment to another alarm systems contractor shall be required to reapply and shall submit a new application under the new alarm systems contractor, along with the appropriate application fees, fingerprint cards, and photos.
- (11) Qualifying agent applicants who, prior to the issuance of their license, change from an alarm systems contractor employee to "independent" or from "independent to an alarm systems contractor employee, shall be eligible to transfer one (1) time during the application process by

submitting a completed transfer form without the fifty dollar (\$50.00) transfer fee. An applicant must submit a new application along with the appropriate fee for any additional transfers.

- (12) A qualifying agent who voluntarily changes employment to another alarm systems contractor must submit a completed transfer form, two (2) photos, and the required fifty dollar (\$50.00) transfer fee.
- (13) A designated qualifying agent shall respond in writing within twenty (20) business days to any complaint filed against the designated qualifying agent or the alarm systems contractor by which the designated qualifying agent is employed.

Authority: T.C.A. §§ 62-32-303, 62-32-304, 62-32-307, 62-32-313, 62-32-316, and 62-32-320.

Rule 0090-01-.07 Alarm Systems Contractor Requirements is amended by adding new paragraphs (12), (13), and (14) as follows:

- (12) The requirements of T.C.A. § 62-32-316(d) shall apply to all forms of advertising including, but not limited to, print, radio, television, or internet advertising. The term "display" shall include verbal or audio broadcast of the certification number. Signs or letters attached to or in front of a building in which the alarm contractor's place of business is located need not contain the contractor's certification number if intended solely to notify the public of the location of the alarm systems contractor. If such sign contains any other wording regarding specific services and/or specials offered with regard to alarm systems, the sign will be deemed to be an advertisement and must contain the contractor's certification number.
- (13) "Regular place of business at a permanent fixed location," as used in T.C.A. § 62-32-314(a)(1) refers to the permanent physical location of the alarm systems contractor. The alarm systems contractor must provide the address of its physical location to the Board upon initial application and within thirty (30) days of a change of business address. Post office boxes and mail drops do not satisfy this requirement.
- (14) An alarm systems contractor shall respond in writing within twenty (20) business days to any complaint filed against the contractor. Failure by an alarm systems contractor to respond to such complaint shall be grounds for discipline, including but not limited to, a civil penalty of up to five thousand dollars (\$5,000.00) and/or suspension or revocation of licensure in accordance with T.C.A. § 62-32-320.

Authority: T.C.A. §§ 62-32-307, 62-32-314, 62-32-316, and 62-32-320.

Rule 0090-01-.08 Insurance Requirements is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

~~No certification can be issued under this part until the applicant files with the Board, on a form approved by the Board, evidence of insurance that meets all of the requirements as set forth in T.C.A. § 62-32-315.~~

- (a) No certification can be issued under this part until the applicant files with the Board, on a form approved by the Board, evidence of insurance that meets all of the requirements as set forth in T.C.A. § 62-32-315.
- (b) All Board investigators and any other State of Tennessee Department of Commerce and Insurance investigators may request at any time proof of insurance from an alarm systems contractor. Failure by an alarm systems contractor to produce such proof immediately upon request shall be grounds for discipline, including but not limited to, a civil penalty of up to five thousand dollars (\$5,000.00) and/or suspension or revocation of licensure in accordance with T.C.A. § 62-32-320.

Authority: T.C.A. §§ 62-32-307, 62-32-315, and 62-32-320.

Paragraph (4) of Rule 0090-01-.10 Renewal of Certification and License is amended by deleting the text of the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (4) shall read:

~~(4) It shall be the duty of the Board to notify every company certificate holder and Qualifying Agent licensee by mail to the last known business address of the date of expiration of such certificate or license and the amount of fee required for its renewal for one (1) year.~~

(4) The Board shall notify every company certificate holder and qualifying agent licensee by mail to the last known business address of the date of expiration of such certificate or license and the fee required for its renewal for two (2) years.

Authority: T.C.A. §§62-32-307, 62-32-307(c), 62-32-313, and 62-32-317.

Paragraph (9) of Rule 0090-01-.10 Renewal of Certification and License is amended by deleting the text of the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (9) shall read:

(9) No company certificate holder or qualifying agent licensee shall receive a renewal when such company or agent has been in default in complying with T.C.A. § 62-32-301 *et seq.* for a period of three (3) months. In such an event, the alarm systems contractor or qualifying agent, in order to qualify under the law, shall make new application and meet all current requirements to obtain a new certificate or license.

Authority: T.C.A. §§62-32-307, 62-32-313, and 62-32-317.

Rule 0090-01-.12 Fingerprinting is amended by adding a new paragraph (4) as follows:

(4) In the event an applicant's fingerprint cards are rejected by the TBI or the FBI two (2) times, the applicant shall submit new fingerprint cards along with payment of any fees charged by the TBI or FBI for processing of such fingerprints prior to the third submission.

Authority: T.C.A. §§ 62-32-307, 62-32-312, 62-32-313, and 62-32-318.

Chapter 0090-5  
Continuing Education

Amendments

Paragraph (1) of Rule 0090-05-.01 Continuing Education Requirements is amended by deleting the text of the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (1) shall read:

~~(1) A Qualifying Agent shall obtain eight (8) hours of classroom instruction in the alarm industry for each year for which the license is valid. This classroom instruction shall be completed prior to the expiration of the license.~~

(1) As a prerequisite for the renewal of a license, a qualifying agent shall obtain sixteen (16) hours of Board-approved instruction in the alarm industry during the two (2) year period prior to the expiration of such license.

Authority: T.C.A. §§ 62-32-307, and 62-32-313.

Paragraph (4) of Rule 0090-05-.01 Continuing Education Requirements is amended by deleting the text the paragraph in its entirety and substituting instead the following language so that, as amended, paragraph (4) shall read:

~~(4) For Fire Alarm Licensure the Qualifying Agent must complete a course in Fire Alarm Installation and Monitoring prior to their first renewal, unless this Certification was presented for approval of initial licensing. For purposes of meeting this requirement the individual must complete the National Institute for Certification in Engineering Technologies (NICET) Level II Certification, or the National Burglar and Fire Alarm Association, Inc. (NBFAA) National Training School (NTS) Level II B Certification, or the Southern Building Codes Congress International (SBCCI) Certification, or equivalent. This certification will be accepted by the Board as the required continuing education for the first renewal period if obtained during the first renewal period.~~

(4) For fire alarm licensure, the qualifying agent must complete a course in fire alarm installation and monitoring prior to the first renewal of such license unless this certification was presented for approval of initial licensing. For purposes of meeting this requirement, the individual must obtain certification by a national training program approved by the Board for qualifying education in the fire alarm classification.

Authority: T.C.A. §§ 62-32-307, and 62-32-313.

Rule 0090-05-.01 Continuing Education Requirements is amended by adding a new paragraph (6) as follows:

(6) The Board shall award qualifying agents four (4) hours of continuing education credits for attendance at the Board meeting. Qualifying agents who elect to attend a meeting for credit must complete the sign-in sheet for qualifying agents prior to the start of the Board meeting. The credits will only be available to qualifying agents for two (2) Board meetings per renewal period for a maximum of eight (8) hours of credit.

Authority: T.C.A. §§ 62-32-307, and 62-32-313.