

SUBJECT: Penalties for false alarms from security systems

COMMITTEE: Urban Affairs — committee substitute recommended

VOTE: 6 ayes — Hill, Clark, Ehrhardt, Hodge, Shields, Wohlgemuth

0 nays

3 present, not voting — Bailey, Burnam, Garcia

WITNESSES: *(On original version):*

For — Larry Casto, City of Dallas; Robert D. Freeman, City of Euless Police Department; C. J. Harper, Harris County Sheriff's Department; John D. McCaghren, Dallas Police Department; Gary L. McKamie

Against — Ruben Fechner and Malcolm Reed, Texas Burglar and Fire Alarm Association; Forrest W. Jenkins, National Security Association, Inc.; Ben Rowe, Texas Retail Association, Texas Food Industry, and Minyards

BACKGROUND : Chapter 218 of the Local Government Code addresses municipal regulation of burglar alarm systems. Chapter 237 of the code addresses county regulation of alarm systems. Both chapters provide for permitting alarm systems and charging fees for responding to false alarms

DIGEST: CSHB 1561 would authorize municipalities and county commissioners courts to set alarm system performance standards that would delineate the number of false alarms allowed before they could suspend or revoke a permit. A performance standard would have to allow at least eight false alarms in a 12-month period. After that, an entity could suspend or revoke an alarm system permit for excessive false alarms.

Entities also could impose a false alarm fee after three other false alarms, rather than five as in the current statutes, have occurred in the preceding 12 months. All false alarm fees would be capped at \$50. The bill would repeal current statutory provisions requiring municipalities to establish false alarm fees by ordinance and counties by rule that reflect on the type and level of emergency response provided. For municipalities, CSHB 1561 would repeal current provisions that false alarm fees may not exceed the actual

expenses incurred for the response. For counties, it would repeal provisions that false alarm fees may not exceed \$75 per false alarm over the allowed number of free false alarms and that the alarm system permit could be revoked if there are more than nine false alarms in a one-year period.

Entities could terminate law enforcement responses to alarm systems operated without a required permit or during a period in which a permit was suspended or revoked, or if false alarm fees had not been paid.

The entity would have to notify the alarm system permit holder immediately by certified mail if it suspended or revoked an alarm system permit or terminated law enforcement response.

A permit holder could appeal a suspension or revocation to the municipality or the county commissioners court. Entities regulating alarm systems would be required to adopt appeal procedures providing the permit holder with notice and an opportunity to be heard.

Entities could reinstate a permit suspended for excessive false alarms, but would be authorized to revoke the permit if two false alarms occurred within 180 days of the reinstatement.

The bill would exempt municipalities, counties, the commissioners court, the sheriff, the sheriff's employees or agents, and the company providing alarm system services from liability for damages resulting from the failure of law enforcement to respond to an alarm system when a permit for the alarm system had been properly suspended or revoked.

CSHB 1561 would repeal current provisions prohibiting municipalities from terminating law enforcement response to permit holders because of excess false alarms if false alarm fees are paid in full; requiring municipalities to administer on a fair and equitable basis their ordinances permitting free false alarm responses and setting false alarm fees; prohibiting municipalities from terminating an alarm permit for nonrenewal without providing at least 30 day's notice; and allowing municipalities to refuse to permit particular systems with a history of unreliability.

The bill would expand the list of actions a county commissioners court could authorize the county sheriff to undertake regarding the regulation of alarm systems. The sheriff could be authorized to establish procedures to suspend and terminate an alarm system permit. A county could not consider a false alarm to have occurred unless a response was made by within 30 minutes of the alarm notification and the appropriate county agency determined from inspecting the interior or exterior of the premises that the alarm was false.

**SUPPORTERS
SAY:**

CSHB 1561 would give cities and counties more effective tools to deal with the serious problem of false alarms. Statistics from Dallas, Houston and Harris County show that approximately 98 to 99 percent of all the alarm system calls they receive are false alarms. For example, in Dallas in 1996, the police department received 105,196 alarm calls of which 103,611 were false alarms and only 1,585 were true alarms. False alarms clog police phone lines, divert police from investigating real emergencies or crimes, and are expensive in man-hours and transportation costs to investigate. The costs of false alarms are overwhelmingly placed on cities, counties and their taxpayers. This bill would place the major responsibility for false alarms on alarm system owners because they are the ones in the best position to prevent excessive numbers of false alarms.

The bill would specifically target those alarm system owners who carelessly cause repeated false alarms, do not fix or maintain their alarm systems, and abuse the system for law enforcement response to alarms. Statistics from Houston show that 86 percent of permitted alarm systems give zero or one false alarm per year, 12 percent give two to five false alarms per year, and only two percent give more than five false alarms per year. About 70 to 80 percent of those false alarms are caused by human error on the part of alarm system owners. For example, they may lock their dog in the house or leave a door or window unsecured. The bill would protect the average alarm owner by allowing at least eight false alarms before an alarm permit could be suspended or revoked. But it would properly penalize those alarm owners who allow repeated false alarms to occur by authorizing cities and counties to suspend or revoke their permits and to terminate law enforcement response.

The procedural rights of those alarm owners would be protected. The bill would require cities and counties to send notice by certified mail when a permit was suspended or revoked or if law enforcement response was being terminated. In addition, the bill would require cities and counties to provide due process to alarm owners who wish to appeal the suspension or revocation of an alarm permit. Those alarm owners would have to receive notice and an opportunity to be heard.

The bill would encourage alarm owners to take earlier action to prevent false alarms by allowing cities and counties to start charging false alarm fees after the third false alarm, rather than after the fifth as in current law. This would also help cities and counties recoup more of the costs of false alarms, and therefore would reduce the costs that taxpayers end up covering.

OPPONENTS
SAY:

CSHB 1561 should include a provision to hold alarm companies responsible for false alarms that result from faulty alarms or faulty alarm installation. There is a danger that many alarm owners would have to pay fines or lose their permit because of problems that are the fault of an alarm company.

The bill should allow a false alarm fee higher than \$50 to allow cities and counties to recoup more of the costs of responding to false alarms. In the alternative, the bill should retain the language in the current statutes requiring that false alarm fees be based on the type and level of emergency response provided.

Localities should have more discretion on setting performance standards — they should be allowed to set a limit lower than eight for the number of false alarms allowed per 12-month period before suspending or revoking an alarm permit.

NOTES:

The committee substitute deleted provisions allowing municipalities and counties to distinguish between business and residential alarm systems in assessing permit fees and false alarm penalties. It added procedures for revoking and suspending alarm system permits and terminating law enforcement response; setting alarm system performance standards; lowering the number of “free” false alarms before counties and cities could impose a fee and capping all false alarm fees; allowing revocation of reinstated alarm permits for two false alarms within 180 days of

reinstatement; and exempting cities, counties and alarm companies from liability for failure to respond to alarms when permits had been suspended or revoked.