



HOUSE BILL 897: DPS Agency Changes.

**This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.**

2025-2026 General Assembly

Committee:	House Judiciary 2. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	June 3, 2025
Introduced by:	Rep. Carson Smith	Prepared by:	Hannah Kendrick* Staff Attorney
Analysis of:	PCS to First Edition H897-CSCV-26		

OVERVIEW: *The Proposed Committee Substitute (PCS) to House Bill 897 would make various changes to the Alarms Systems Licensing Act and to the laws governing the Private Protective Services Board.*

CURRENT LAW AND BILL ANALYSIS:

PART I. ALARM SYSTEMS LICENSING ACT MODERNIZATION

The Alarm Systems Licensing Act (ASLA), Chapter 74D of the General Statutes, establishes the Alarm Systems Licensing Board (Board) and requires any person, firm, association, and corporation, or any department or division of those entities, to obtain a license prior to engaging in the alarm systems business in North Carolina. The seven-member Board, under the Department of Public Safety (DPS), enforces the ASLA and administers the licensing, education, and training requirements for those engaged in the alarm systems business.

An alarm system business is defined as selling or attempting to sell an alarm system device through personal solicitation at a residence or business or installing, servicing, monitoring, or responding to electrical or mechanical alarm signal devices, burglar alarms, monitored access control, or cameras used to detect unlawful entry or illegal activity. Certain alarm system activities are exempt from the licensing requirements including the sale of alarm systems not involving personal solicitation at residential or business locations, fire alarm system installation, monitoring activity located in another state not involving personal solicitation, and the provision of certain alarm system services provided to a State agency or local government.

Part I would do the following:

- Rename Article 1 of Chapter 74D to the "Security Systems Licensing Act" and change "alarm system" to "security system" throughout the Chapter.
- Update the definition of "security systems business" to include:
 - Any solicitation for the sale of a security system.
 - Wireless or hardwired alarm devices and security systems.
 - Integrated automation of a residence or business that includes a security element.
 - Analytic capturing devices, systems providing intelligence, or other imaging devices used to detect various illegal activities.

Kara McCraw
Director



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- Modify and add requirements an applicant must meet to become a qualifying agent and grant the Director of the Board discretionary authority related to the extension of time to find substitute qualifying agents.
- Give the Board additional powers related to investigating unlicensed activity, engaging in real property transactions, and denying, suspending, or revoking a license or registration.
- Update the various requirements and conditions for issuing licenses, registrations, and permits.
- Increase the following statutory maximum fee amounts that may be charged by the Board:
 - Initial license application fee: \$150 to \$500
 - New or renewal license fee: \$500 to \$1,000
 - Late license renewal fee: \$100 to \$500
 - New or renewal registration fee: \$50 to \$100
 - Reregistration for change of employment to another licensee: \$10 to \$25
 - Branch office certificate fee: \$150 to \$300
 - Late registration fee: \$20 to \$40
- Remove outdated language and move certain statutory language to more appropriate locations in the Chapter.

PART II. PRIVATE PROTECTIVE SERVICES BOARD LAWS AMENDMENTS

Chapter 74C of the General Statutes establishes the Private Protective Services Board and requires any private person, firm, association, or corporation that performs private protective services in this State to comply with the licensing requirements of Chapter 74C. The Private Protective Services Board is under DPS, enforces the provisions of Chapter 74C, and administers the licensing, education, and training requirements for those engaged in the private protective services business.

G.S. 74C-3(a) defines "private protective services profession" to include the armored car profession, close personal protection, the courier service profession, detection of deception examiner, digital forensics examination, the electronic countermeasures profession, the security guard and patrol profession, the guard dog service profession, a private detective or private investigator, and the special limited guard and patrol profession.

Part II would do the following:

- Expand the type of trainee permits available under Chapter 74C of the General Statutes.
- Provide that the private protective services profession can involve services provided to the government.
- Authorize the Private Protective Services Board to charge a fee up to \$100 for an application for approval of a continuing legal education course.
- Modify G.S. 74C-11, which governs probationary employees and registration of regular employees, to regulate security guard and patrol companies and armored car companies.
- Expand the grounds for denial, suspension, or revocation of a license, registration, or permit.
- Modify G.S. 74C-13, which governs firearm registration permits for private protective services, to apply generally to licenses.

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PART III. ENHANCE BACKGROUND CHECK ABILITIES OF PRIVATE PROTECTIVE SERVICES BOARD AND ALARM SYSTEMS LICENSING BOARD

Part III would do all of the following:

- Modify G.S. 14-415.12 to add courses certified or sponsored by the North Carolina Private Protective Services Board and the Secretary of Public Safety to the list of approved courses for purposes of a concealed handgun permit application.
- Modify G.S. 15A-151 to allow the Administrative Office of the Courts, upon request of the North Carolina Private Protective Services Board or the North Carolina Alarm Systems Licensing Board, to disclose information about expunction orders for licensure or registration purposes only.
- Exempt the North Carolina Private Protective Services Board and the North Carolina Alarm Systems Licensing Board from the requirements of G.S. 93B-8.1, which governs how occupational licensing boards can consider an applicant's criminal history record.

The Alarms System Licensing Board and the Private Protective Services Board would be permitted to adopt rules to implement the provisions of this Part.

EFFECTIVE DATE: Part I, Part II, and Part III of this act would become effective October 1, 2025. Except as otherwise provided, this act would be effective when it becomes law.

**Michael Johnston, Legislative Analysis Division, substantially contributed to this summary.*