SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 2419

STATE OF NEW JERSEY

DATED: JUNE 24, 2020

The Senate Commerce Committee reports favorably Senate Bill No. 2419.

This bill regulates the installation, maintenance and repair of perimeter fence intrusion protection systems, and other alarm systems governed by "The Electrical Contractors Licensing Act of 1962." The bill also establishes confidentiality standards for alarm service practitioners and licensed locksmiths.

The bill restricts local government regulation of the installation and maintenance of a perimeter fence intrusion protection system, as long as the system meets the definition of the system established by the bill and several additional requirements. In order to benefit from the restrictions on local government oversight established by the bill, the perimeter fence intrusion protection system is required to:

(1) interface with a monitored alarm device in a manner that enables the burglar alarm system to transmit a signal intended to summon the business or law enforcement;

(2) be located on property that is not designated exclusively for residential use;

(3) have an energizer that is driven by a commercial storage battery that is not more than 12 volts of direct current;

(4) have an energizer that meets the standards set forth by the International Electrotechnical Commission Standard 60335-2-76, current edition;

(5) be surrounded by a nonelectric perimeter fence or wall of at least five feet in height;

(6) not exceed ten feet in height or two feet higher than the adjacent nonelectric perimeter fence or wall, whichever is higher;

(7) be marked with conspicuous warning signs that are located on the Perimeter Fence Intrusion Protection System at not more than 40 foot intervals and that read: “WARNING—ELECTRIC FENCE”;

(8) comply with the requirements set forth in the rules and regulations adopted by the Board of Examiners of Electrical Contractors; and

(9) be installed by a person trained by the manufacturer or holding a training certification on the installation, maintenance, repair, safety and operation of the perimeter fence intrusion protection system to be installed.

As long as these perimeter fence intrusion protection system requirements are met, the bill prohibits municipal or county government from imposing the following requirements on a business installing the systems:

(1) requiring the licensing or registration the business;
(2) requiring the business to submit information about the business' systems;
(3) requiring the business to pay a third party person or business an alarm registration or licensure fee;
(4) requiring a permit or fee for the installation of a perimeter fence intrusion protection system in addition to an alarm system permit issued by the municipality or county;
(5) imposing an installation or operational requirement for a perimeter fence intrusion protection system that is inconsistent with the requirements and standards of the "The Electrical Contractors Licensing Act of 1962," P.L.1962, c.162 (C.45:5A-1 et seq.), as supplemented and amended by subsequent legislation, and this bill;
(6) impeding the installation or continued operation of a perimeter fence intrusion protection system; or
(7) prohibiting the system's installation or use.

Finally, the bill establishes confidentiality standards for licensees governed by "The Electrical Contractors Licensing Act of 1962," including professionals engaged in the installation and maintenance of perimeter fence intrusion protection systems, licensed locksmiths, and alarm businesses. Specifically, the bill requires licensees governed by the act to refrain from disclosing, releasing to any third-party entities, or distributing information relating to the provision of burglar alarm, fire alarm or locksmithing services of the client without their consent, unless compelled by a court order.

The bill requires any person who is the custodian of confidential information to exercise due diligence on an ongoing basis to protect the security of the confidential information including, but not limited to, maintaining current technology to prevent unauthorized access to computers, computer systems, software and computer networks; maintaining adequate safeguards to ensure that confidential information is only distributed to authorized individuals; and conducting employee training in information security measures.

If a person's confidential information is accessed by an unauthorized person or if a breach of the custodian's security measures occurs which may have compromised the security of the person's confidential information, the bill requires notification to

the person. The bill prohibits information from being accessed by, used or sold to, or used by any third party person or business or government agency without that person’s or business's written authorization. The bill directs that a licensee who fails to comply with the requirements of the bill regarding the maintenance of confidential information would be deemed to have engaged in professional misconduct, and would be subject to disciplinary action and civil penalties pursuant to sections 8, 9 and 12 of P.L.1978, c.73 (C.45:1-21, 45:1-22 and 45:1-25).