



**City
of
Milwaukee**

*INTERDEPARTMENTAL CORRESPONDENCE
LEGISLATIVE REFERENCE BUREAU*

Memorandum

To: Ald. Robert Puente, Chair
Private Alarm Systems Task Force

From: Richard L. Withers ext. 8532

Date: May12, 2010

Re: Private Alarm Sales and Responder Training;
Changes to City Ordinances

The information in this memorandum is provided to assist the Task Force in addressing the following items on the Agenda for:

Agenda Item 2 - Training Standards for Salespersons
Agenda Item 5 - Proposed Changes to City Ordinances
Agenda Item 6 - Regulation and Licensing of Private First Responders

Training Standards for Salespersons

After reviewing a variety of ordinance requirements and contacting a number of municipalities in Wisconsin and nationally, I found no clear requirements for training specifically directed at salespersons of private alarm systems. I thought the one city that might have such requirements would be New York City, but it does not. New York relies on statewide licensing requirements for installing and maintaining burglar alarm systems. New York also relies on consumer protection regulation directed at door-to-door sales.

I contacted the Electronic Security Association (ESA) referenced by Task Force member Chris Utter and discussed its "Essential Sales Training" module. ESA staff members were not aware of municipalities that require alarm sales training.

Note: The ESA identified the following as its Wisconsin contact:

Wisconsin Burglar & Fire Alarm Association
Chartered Chapter Association
PO Box 11657
Shorewood, WI 53211
Jean Novy , Executive Director

www.wbfaa.org
Phone: (866) 779-2322
Fax: (877) 572-4713

If the Task Force decides to recommend training minimums for private alarm salespersons, one alternative would be to require that companies certify in their applications that they will provide training prior to authorizing employed or contracted salespersons to represent them in public. After reviewing the ESA curriculum for sales training, I would suggest consideration of the following training requirements for salespersons who conduct business in Milwaukee:

- A training protocol or curriculum be in writing;
- Training include an understanding of how alarm systems work;
- Training provide a clear understanding of the documents involved in the initial sales presentation, the formal contract and any informational materials provided the customer;
- Training include a thorough review of Milwaukee requirements;
- A minimum training period be required similar to the 14-hours provided by ESA;
- A training component include the ethics of sales;
- Training include an evaluation of the sales candidate such as a test.

The Task Force has heard that most companies provide training for sales personnel. I reviewed the sales training materials and manuals of several companies. One manual excerpt that I found that raises a variety of issues is the following:

EXCERPTS FROM THE APEX ALARM LLC SALES REPRESENTATIVES TRAINING MANUAL.

"You must give yourself a title that sounds professional. I would say, "Hi my name is Chance, I am a Security Consultant for ADT", another successful title is a "Route Coordinator" out filling spots for installs. Think of a title that works well for you."

"...we are increasing our visibility by installing alarms in your neighborhood. I am looking for three more homeowners ... willing to display one of our signs (it looks just like this, show front of binder). If you would be willing to display one of our signs in your yard we will customize \$1200 worth of equipment and install it in your home at no cost."

Proposed Changes of City Ordinances

Draft ordinance language is generally prepared and approved by the sponsoring Common Council member following the recommendations of the task force or committee established to address a particular issue.

The following is an outline of the recommendations for ordinance changes under discussion or already made by the Task Force together with notes and questions about possible language:

1. Requiring alarm companies to register sales personnel with the License Division and providing a photograph: the type of photograph and timing of registration have not yet been determined.
2. Requiring alarm companies to train sales personnel: the level and type of training has not yet been determined.
3. Assuring that contact information about current alarm monitoring agencies and first responder agencies is available to the Police Department: a variety of approaches are possible including penalties for companies not updating the information with the License Division in a timely manner.
4. Excluding from the definition of alarm business those monitoring services that are not contracted to the alarm user: a specific proposal from Friebert, Finnerty & St. John is under discussion.
5. Increased penalties for subsequent non-verified alarms and false alarms: Assistant City Attorney Ed Ehrlich is reviewing. No amounts have been established for increased penalties.
6. Better regulating the direct communication of panic alarms to the Police Department: A definition of panic alarms should be drafted. Definitions in other municipalities vary a great deal from equating a panic alarm with a burglary alarm to alarms that make audible signals.
7. Permitting video verification as an alternative to first responder verification: This exception is in drafting for definition, 'real-time' requirements, and quality standards for video equipment.
8. Providing that private security personnel hired by businesses may be included in the definition of first responder: this is being drafted.

Regulation and Licensing of Private First Responders

The definition of "alarm business" was amended to exclude first responders on September 21, 2004. Common Council File # 040559 was sponsored by Ald. Bauman, Witkowski, Puente, D'Amato, McGee, Witkowiak and Hamilton. The amended provision reads:

- b. "Alarm business" means any person engaged in selling, leasing, renting, installing, monitoring, servicing, altering, moving or causing any alarm system to be sold, leased, rented, installed, monitored, serviced or altered in or on any building, place of business, structure, residence or other facility. Included in this definition are holders in due course of alarm system contracts. Excluded from this definition are sellers of alarm systems from a fixed location who do not visit the site where the alarm system is to be installed, or design the system for the location, or install, monitor, service or alter any existing alarm system. >>Also excluded from this definition is any person engaged solely in the business of confirming that attempted or actual crimes have occurred at the locations of activated burglary alarms.<<

I spoke with Ald. Bauman and he did not recall the reason for the amendment. The drafter, Jeff Osterman, speculates that the amendment may have been the result of concern that neighbors volunteering to respond on behalf of neighbors might be required to obtain a license. Ald. Bauman suggested that this was a possible reason. If so, the amendment does not address the issue. Instead, the amendment only exempts those persons "engaged solely" as responders. The exemption would not appear to apply to persons who respond

part-time to alarms and who also engage in other duties. If the Task Force wishes to include a private first responder service within the definition of "alarm business," it can be made clear by amendment to the ordinance that the requirement applies to those services that are in business to provide first responder service.

The Wisconsin Department of Regulation and Licensing requires a "private security person" to obtain a permit. Persons applying for or holding the permit are not required to obtain any specified training. No differentiation is made between private alarm first responders and other private security persons. A "private security person" means any private police, guard or any person who stands watch for security purposes. "Private security person" includes a person employed by a private detective agency to act as an usher, a ticket-taker or an event attendant at events which include, but are not limited to, athletic events, concerts, fairs, festivals and trade shows. Exceptions include certain off-duty law enforcement officers, persons employed by a private detective agency who act as ushers, ticket-takers or event attendants at certain public events.

To obtain a permit, the applicant must submit a formal application and is subject to a background check. Felons and persons convicted of misdemeanors that may be substantially related to private security work are not eligible.

Private security persons who are first responders are among those security persons who must be uniformed while on duty unless also licensed as private detectives. While on duty, a private security person must carry his or her permit. Only those private security persons employed by a licensed detective agency must display an identification or name tag.

It should be noted that the ordinance does not require that the first responder be a private security person with a state permit.

Unlike individuals who act as private security persons, a private security companies is not subject to license or permit requirements to act as a security company in Wisconsin unless it is a detective agency.

Please contact the Bureau if you need further information about these or related issues.

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