

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 304 Department or Agency Alabama Electronic Security Board of Licensure

Rule No. 304-X-1-.07

Rule Title: Code of Ethics

 New X Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? Yes

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? n/a

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer Janel Robins

Date March 10, 2022

REC'D & FILED

MAR 10 2022

LEGISLATIVE SVC AGENCY

APA-2

Alabama Electronic Security Board of Licensure

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Electronic Security Board
of Licensure

RULE NO. & TITLE: 304-X-1-.07 Code of Ethics

INTENDED ACTION: To Amend Rule

SUBSTANCE OF PROPOSED ACTION:

To amend in order to add language regarding door-to-door sales practices, to clarify that a licensing badge should be visible on the licensee's person, and to allow for an internet address in advertising.

TIME, PLACE, MANNER OF PRESENTING VIEWS:

Written comments may be submitted to: Alabama Electronic Security Board of Licensure, 7956 Vaughn Road PMB 392, Montgomery, AL 36116

Public Hearing: Tuesday, May 10, 2022, 9:30 a.m., Halcyon Pointe - Building I - Meeting Room, 7515 Halcyon Summit Drive, Montgomery, AL 36117.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

May 10, 2022

CONTACT PERSON AT AGENCY:

Janet Robinson, Executive Director, Alabama Electronic Security Board of Licensure, 7956 Vaughn Road PMB 392, Montgomery, AL 36116. Telephone# 334-557-0983



Janet Robinson, Executive Director

304-X-1-.07 Code of Ethics.

(1) The following code is intended to aid companies licensed by the Alabama Electronic Security Board of Licensure and their employees, individually and collectively, (hereinafter referred to as companies), in maintaining a high level of ethical conduct. This code evolved out of the experience of the Board and is binding on all licensed companies and their employees.

(a) All licensees and employees of licensees must have visible on their person a photo identification card issued by the licensing board at all times when providing licensed services. This requirement does not apply to administrative, management, and monitoring station employees who do not have contact with consumers in the field.

(b) Companies will always render services at the highest level of quality. ~~Companies must include the following information at the bottom front of each contract for services:~~

~~All complaints or concerns regarding the installation or service of a lock, alarm, or CCTV system may be directed to the: AESBL at 7956 Vaughn Road Montgomery, Alabama 36116 (334)264-9388.~~ Companies performing unsolicited sales on the consumers of the State of Alabama shall take great care to uphold the ethical standards set forth by the Board.

(1) Companies shall not misrepresent the status of another company. This includes, but is not limited to, falsely telling potential customers that another company has gone or is going out of business, is leaving the State of Alabama, has had their AESBL license revoked, is merging with another company, or that they are upgrading equipment for another company.

(2) Companies shall not interfere with or coach potential customers or new customers obtained via unsolicited sales when pre-installation and/or installation surveys are conducted.

(3) Companies shall inform potential customers and obtain consent from said customers regarding the use of third-party lending for security and/or locksmith equipment.

(4) Companies shall inform potential customers that a Consumer Report will be obtained through a Consumer Reporting Agency before a credit report is requested.

(5) Companies shall not engage in white paging if a potential customer is denied credit based on their Consumer Report.

(6) Companies shall not add an unauthorized co-signer to an account if a co-signer is required for a potential customer to obtain credit financing.

(7) Companies shall give to all new and potential customers a paper copy of their right to cancel a new security system. The instructions shall include contact information, how many days they have to cancel, and the method in which the notice of cancellation should be sent, including the company's mailing address, email address, and fax number.

(6) Companies that have potentially engaged in any form of identity theft shall be considered for referral to the District Attorney or the Attorney General's Office.

(c) Companies must include the following information at the bottom front of each contract for services:

All complaints or concerns regarding the installation or service of a lock, alarm, or CCTV system may be directed to the: AESBL at 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334)557-0983.

~~(e)~~ (d) All licensees must provide an electronic or paper copy to each customer in which alarm, locksmith, or CCTV services have been provided. The electronic copy provided to a customer must be emailed to the customer at the customer provided email address within ~~48~~ 24 hours of the completed sell, service, or installation. A Notice of Cancellation document must also be given to the client and the procedure for cancelling a contract must be clearly explained to the client.

~~(d)~~ (e) Upon request, licensees ~~licensees~~ will give to each client or potential client their AESBL license number and each individual will show his/her AESBL identification card to all existing and potential clients, law enforcement personnel, AESBL Board Members, AESBL inspectors and investigators, and the AESBL staff.

~~(e)~~ (f) Companies will inform each client of their rights, including their right to cancel a new contract within a specified time period, and encourage them to maintain records of all activities and contracts related to the installation of locks or an electronic security system.

~~(f)~~ (g) Companies will adequately train each client in the proper use of their locks or electronic security system, will provide customers lockout codes upon receipt of written requests within ten (10) business days, and will not sell customers pre-programmed panels without written disclosure to the customer.

~~(g)~~ (h) Companies will advise customers who already have electronic security service that, if they already have a contract for services, they may be obligated for payments under the terms of their present contracts as well as any new contract signed.

~~(h)~~ (i) Companies will respond within ten (10) business days to customer complaints regarding sales, installation, servicing or monitoring of their locks or electronic security systems or the conduct of any person employed or sub-contracted by the company.

~~(i)~~ (j) Company representatives will make a reasonable attempt to identify the owner of a residence, a commercial establishment, or vehicle before performing work.

~~(j)~~ (k) Companies will not engage in deceptive, fraudulent, or illegal activity targeting individuals ~~over the age of sixty~~ ~~(60)~~ age sixty (60) or older or individuals who do not appear to be mentally competent. Doing so may result in their license being suspended on an emergency basis without a hearing if said activity is confirmed by ~~a police officer,~~ the AESBL investigator, or other law enforcement agency and/or personnel by a signed and notarized affidavit.

~~(k)~~ (l) Companies must wait four (4) business days before performing unsolicited services for an individual age 75 or older and must provide these same customers with a 30 day right to cancel in their contract.

(2) Any company, including all employees of a company, and any person who violates one or more canon of ethics in this code shall be subject to disciplinary action. If, after a hearing, the Board determines that a company or person is, in fact, guilty of a violation, the Board may impose a monetary penalty, a sanction, suspend or revoke a license.

(3) Pursuant to Code of Alabama 1975 34-1A-3(10), all licensed companies are to be inspected, and the Board has determined that inspections shall occur on an annual basis. Company personnel shall comply when contacted by an AESBL inspector, whether in person, by telephone or text, or via email. Failure to comply shall result in an Administrative Complaint filed by the inspector. Failure to comply would include, but is not limited to, not allowing the inspector into a company's main office and/or branch office, not returning an inspector's voicemail, email, and/or text within a reasonable amount of time as determined by the inspector, not agreeing to meet with an inspector at a designated location outside a home office, and/or not providing information requested by the inspector, i.e.— employee roster, proof of licensing numbers on company vehicles, proof of licensed

disciplines conducted by the company and its employees, etc. An Administrative Complaint filed shall proceed through the normal process as enumerated under 304-X-1-.08.

(4) Upon proof (proof being a civil order or criminal conviction) that any licensee or licensed company has engaged in behavior that has violated any Federal, State, or Local law, the Board shall take immediate disciplinary action. All licensees are required to adhere to all laws related to the "Do Not Call List", spoofing, and any laws or rules imposed by the Federal Trade Commission or the Federal Communications Commission.

(5) Any advertising, including social media and internet advertising, must include the company's AESBL license number or an internet address where licensing information can be found on said advertising. The company's AESBL license number shall be visible on any vehicle displaying advertising information.

Author: Fred Crawford

Statutory Authority: Code of Ala. 1975, §34-1A.

History: New Rule: Filed April 26, 2000; effective May 31, 2000. **Amended:** Filed May 25, 2004; effective June 29, 2004. **Amended:** Filed November 13, 2007; effective December 18, 2007. **Amended:** Filed February 18, 2010; effective March 25, 2010. **Amended:** Filed November 14, 2011; effective December 19, 2011. **Amended:** Filed May 27, 2014; effective July 1, 2014. **Amended:** Filed November 19, 2014; effective December 24, 2014. **Amended:** Filed November 19, 2018; effective January 3, 2019. **Amended:** Filed September 7, 2021; effective January 14, 2022. **Amended:** Filed March 10, 2022; effective
