

1 HOUSE OF REPRESENTATIVES  
2 COMMONWEALTH OF PENNSYLVANIA  
3 HARRISBURG

4 Friday, September 24, 2010  
5 Philadelphia, Pennsylvania

6  
7 HOUSE PROFESSIONAL LICENSURE COMMITTEE  
8 Public Hearing on the State Board of Electronic Life  
9 Safety and Security Systems contracting under the  
10 Bureau of Professional & Occupational Affairs  
11 HB-1554/PN-1920 (Rep. Brendan F. Boyle)

12 COMMITTEE MEMBERS PRESENT:

13 REPRESENTATIVE JULIE HARHART, Minority Chairwoman  
14 REPRESENTATIVE TIMOTHY SOLOBY  
15 REPRESENTATIVE JAMES WANSACZ  
16 REPRESENTATIVE BRENDAN BOYLE

17 OTHERS PRESENT:

18 MEREDITH M. BIGGICA, Executive Director for Democrats  
19 WAYNE CRAWFORD, Executive Director for Republican Caucus

20 HELD AT: Pennsylvania Convention Center, Room 107 AB, 1101  
21 Arch Street, Philadelphia, PA, 19107

22 REPORTED BY: Lori Marculini, Court Reporter-Notary Public

23 CLASS ACT REPORTING AGENCY

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1 TESTIFIERS:

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3 JOHN CHWAT, Director, Government Relations Electronic  
4 Security Association, Inc.

5

6 DANETTE TIZKOWSKI, Past President of the Pennsylvania  
7 Burglar and Fire Alarm Association and Vice  
8 President/ General Manager of Vector Security, Inc.

9

10 PATRICK EGAN, President, Select Security

11

12 JAY HAUHN, Chief Technology Officer and Vice President of  
13 Industry Relations

14

15 JAY STROHL, Northeast Region Area Operations Manager

16

17 NEIL HARKINS, Chief of Police of Manheim Township

18

19 LIEUTENANT TOM PAUL, Lancaster City Fire Department

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1                   CHAIRWOMAN HARHART: I am State Rep  
2                   Julie Harhart. I am the Minority Chair for  
3                   the House Republican Licensure Committee.

4                   Representative McGeehan, who is the  
5                   Majority Chair is unable to be with us  
6                   today, so I get to be here.

7                   I do want to welcome everybody here  
8                   today.

9                   At this hearing, we are going to be  
10                  hearing about a bill on the State Board of  
11                  Electronic Life Safety and Security Systems  
12                  contracting under the Bureau of Professional  
13                  and Occupational Affairs, and the prime  
14                  sponsor of this bill is Representative  
15                  Brendan F. Boyle. It is House Bill 1544.

16                  I certainly am going to be looking  
17                  forward to hearing your testimony and  
18                  hearing what you have to say.

19                  The whole Committee will really be  
20                  interested in hearing it, and what I am  
21                  going to do is I am just going to have,  
22                  since we are not that many of us here, I  
23                  will have the State Reps introduce  
24                  themselves and tell the group what district

1                   you are from.

2                   REPRESENTATIVE WANSACZ: Representative  
3                   Jim Wansacz, Lakaway, Luzerne and  
4                   Susquehanna.

5                   REPRESENTATIVE BOYLE: Brendan Boyle  
6                   representing Philadelphia and Montgomery  
7                   Counties.

8                   CHAIRWOMAN HARHART: And again, I'm  
9                   State Representative Julia Harhart.

10                  Because Mr. Chwat is a little pressed  
11                  for time, we will take him first. I think  
12                  he has to catch a train.

13                  So, if you don't mind, I'm going to  
14                  call Mr. Chwat who is the Director of  
15                  Government Relations for the Electronic  
16                  Security Association, Inc.

17                  If you would please come up. You were  
18                  quick.

19                  MR. CHWAT: John Chwat, C-h-w-a-t for  
20                  the stenographer.

21                  I am Director of Government Relations  
22                  for the Electronic Security Association.

23                  Just as a point of clarification, the  
24                  National Burglar and Fire Alarm Association

1           which is referenced in the Bill, our name  
2           was changed last year, and the name is now  
3           Electronic Security Association.

4           That is in Section 6 and Section 2 of  
5           your Bill, and hopefully, next year if you  
6           create a new bill and you mark it up, we  
7           would appreciate the change in the name.

8           The National Burglar and Fire Alarm  
9           Association is well over fifty years old.

10          It is representing seventy percent of  
11          the installation market for infusion, fire,  
12          life safety and video surveillance systems  
13          including monitoring.

14          We have twenty-seven hundred, probably  
15          more like twenty-eight hundred electronic  
16          life safety businesses located throughout  
17          the United States and in the Commonwealth of  
18          Pennsylvania.

19          The Pennsylvania Burglar and Fire Alarm  
20          Association is one of our state chapters.

21          Our members employ four hundred  
22          thousand service professionals and service  
23          millions of residential and commercial  
24          accounts.

1                   Since I have to return to Washington,  
2                   DC, to present our testimony on Capitol  
3                   Hill, we usually divert from testimony and  
4                   make highlights because you can read the  
5                   testimony on your own.

6                   So, with your permission, I will do  
7                   that.

8                   The purpose of my being here today is  
9                   to tell the Committee in many states and  
10                  indeed in the document that was submitted to  
11                  the Commonwealth called Sunrise Evaluation  
12                  Report, one of the reasons it's so big is  
13                  that we paired a few documents in here  
14                  showing all the other states in the United  
15                  States that have had licensing similar to  
16                  the one on the bill that you are considering  
17                  today.

18                  I would say it is part of my job to  
19                  assist other state chapters with licensing,  
20                  and I would say well over thirty to forty  
21                  states have licensing in one way or the  
22                  other.

23                  Similar committees like yours we have  
24                  testified before, and these states have

1           adopted regulations and in large cases  
2           similar bills to the one you are  
3           considering, and that's one of the reasons  
4           why we want to urge you to do that next  
5           session.

6           You are going to hopefully adopt the  
7           bill.

8           In a lot of cases, some of the states,  
9           but there are not many left, maybe ten or  
10          eleven, do not have licensing.

11          There are very active 2011 agendas to  
12          introduce bills that, in fact, are much more  
13          detailed than the one you have today.

14          So, that's the first thing.

15          The second is that our National  
16          Electronic Security Association is a member  
17          of the Alarm Industry Communications  
18          Committee which is composed of all the alarm  
19          electronic security companies, and there is  
20          since 9-11, a very, very aggressive effort  
21          on the part of Homeland Security but more  
22          importantly the Federal Communications  
23          Commission, and they have created a Homeland  
24          Security Public Safety Bureau, and we are

1 very, very active with that Bureau.

2 All of our members throughout the  
3 country install in residential and  
4 commercial sites, and the reason for the FCC  
5 and for Homeland Security is so our members  
6 have up-to-date technology, and this is  
7 training that we install in banks and water  
8 resources, reservoirs and utility plants.

9 Anything that is an infrastructure in  
10 the United States, our members are actively  
11 installing that, and that includes your  
12 Commonwealth and also all of our members  
13 have access to residences.

14 If you can, imagine a monitoring  
15 company having the codes for accessing  
16 peoples' homes. There is a trust issue  
17 there. Our members install products in  
18 peoples' residences.

19 So, there was a great effort for public  
20 safety on a national level for the  
21 anti-terrorism risk and to prevent crime.

22 Video surveillance.

23 I think know that is a big issue in the  
24 Commonwealth, especially in Philadelphia.



1           Some of the Congressmen are showing me  
2           the articles in which video surveillance  
3           captured potential murderers in  
4           Philadelphia.

5           So, this is a public safety issue that  
6           is different than any other industry in the  
7           Commonwealth actually.

8           So, that's a second point that we  
9           wanted to bring up.

10          Another point that relates to  
11          background checks which is inside the bill  
12          and which we are encouraging on a national  
13          level working with your state congressional  
14          delegation is that our members since they  
15          have access to people's homes and to  
16          commercial operations, we believe that there  
17          should be an access to not only the state or  
18          in your case, the Commonwealth, but access  
19          to the FBI criminal database.

20          A lot of people who are in unlicensed  
21          states do work in people's homes and in  
22          commercial establishments, and their  
23          backgrounds might be checked, but they are  
24          not checked against the FBI criminal

1 database, and the ability of a state to  
2 permit that through legislation will grant  
3 the licensees which hopefully would be in  
4 your Commonwealth the ability for the owners  
5 to check their background, and it is  
6 possible to move from state to state, and  
7 this check is done but not thoroughly unless  
8 it's done by an FBI database.

9 And so, this background provision is in  
10 this bill.

11 It is a very important part of it, and  
12 we encourage you to consider that because  
13 these are people who have access to very  
14 important facilities where children and your  
15 citizens live.

16 Inside the bill, we also support it for  
17 two reasons.

18 I call it Consumer Protection as one of  
19 the top issues.

20 Consumer protection in that a person  
21 who contracts with the members who you are  
22 going to hear from must be guaranteed that  
23 that person understands the new technology  
24 and understands how to undertake

1 installation properly.

2 Understands how to protect their home  
3 or their business.

4 And second, consumers expect a  
5 professional service.

6 One of the fundamental ways that other  
7 states or Commonwealths because I come from  
8 Virginia, that's a commonwealth as well, one  
9 of the ways they do that is to provide for  
10 training, to keep up with the new standards  
11 and take new technologies that are very  
12 complicated, testing and certification and  
13 to have the ability through this bill to be  
14 able to keep up and to offer the consumer  
15 the confidence that the sales and  
16 installation and services of their products  
17 are top notch, and that's very important.

18 I did have in my testimony which I  
19 apologize for, but I was trying to find some  
20 crime statistics and I know legislators,  
21 especially congressman, do not want to be  
22 reminded that there is crime in their  
23 Commonwealth, but of the ones that stood out  
24 to me, there was a Governor's Report just

1 two years old that said that there was a  
2 crime, property crime occurring in the  
3 Commonwealth once every one minute and  
4 forty-six seconds and a burglary every nine  
5 minutes and five seconds and a violent crime  
6 every ten minutes and twenty-five seconds.

7 Far be it for me to antagonize anybody  
8 upfront or in my testimony, but we use these  
9 statistics around the country.

10 These are both state and FBI stats to  
11 show that the kind of public safety very  
12 critical services that our industry provides  
13 is different than other licensing  
14 professions, and it is a crime prevention  
15 purpose to install cameras, to secure homes  
16 and to provide the kind of devices that  
17 prevent these kind of crimes from taking  
18 place.

19 Finally, we want to say that in the  
20 other states, and that's all I can talk  
21 about since I represent a national  
22 association, that other legislators look to  
23 this kind of legislation to offer the board  
24 that is created to work out the details, and

1 we very much endorse this legislation which  
2 does that as well because the representative  
3 in creating this board, if you notice, they  
4 can issue regulations.

5 So, if the bill passes, and hopefully  
6 this bill passes, the more detailed aspects  
7 of it will be taken care of.

8 And that's my testimony.

9 - - -

10 WRITTEN TESTIMONY OF JOHN CHWAT

11 - - -

12 "Chairman and Members of the Committee,  
13 I want to thank you for the opportunity to  
14 appear today in support of House Bill 1544,  
15 the "Electronic Life Safety & Security  
16 Systems Contractors Licensure Act."

17 "I am appearing on behalf of the  
18 Electronic Security Association, which is  
19 the largest professional trade association  
20 in the United States representing more than  
21 seventy percent of the installation market  
22 for intrusion, fire/life safety, access  
23 control and video surveillance systems  
24 including monitoring.

1                   "Our membership consists of more than  
2                   2,700 electronic life safety, security  
3                   businesses located across the United States  
4                   and its territories. They employ more than  
5                   400,000 industry professionals and service  
6                   millions of residential and commercial  
7                   accounts. Today we are proud to support the  
8                   Pennsylvania Burglar and Fire alarm  
9                   Association, an ESA Chartered Chapter, in  
10                  passing House Bill 1544.

11                  "After sixty-two years of serving  
12                  citizens and the electronic security  
13                  industry, the National Burglar and Fire  
14                  Alarm Association (NBFAA) changed its name  
15                  to the Electronic Security Association, Inc.  
16                  (ESA). The new name more accurately  
17                  represents the services that our members and  
18                  prospective members provide and places the  
19                  association in a position to make its  
20                  strongest case to the public.

21                  "Our testimony on this legislation,  
22                  therefore, will reference 'ESA' rather than  
23                  'NBFAA' and when the members of the  
24                  Committee review House Bill 1544, we

1 recommend revising references in the bill  
2 accordingly. This would include revising  
3 'NBFAA' in Section 2, Definitions of the  
4 bill, and references to 'NBFAA' in Section  
5 6.

6 "We applaud the Pennsylvania Burglar  
7 and Fire Alarm Association and commend the  
8 sponsor and cosponsors for including ESA's  
9 Certified Security Technician Level One  
10 course as a requirement in the legislation.  
11 This course is recognized nationally as  
12 setting the training criteria for the  
13 electronic life safety and security  
14 industry.

15 "ESA has consistently supported its  
16 Chartered Chapters in their pursuit of  
17 legislation to license and regulate the  
18 industry. We have provided testimony before  
19 committees such as this in the various  
20 states, assisted in reviewing and drafting  
21 proposed legislation and provided whatever  
22 assistance we could within the industry to  
23 support passage of these bills.

24 "Most recently, officials from ESA

1 travelled to the State of Vermont and  
2 Arizona to support their initiatives to  
3 enact similar legislation.

4 "The Pennsylvania Burglar and Fire  
5 Alarm Association in their Sunrise  
6 Evaluation Report to the Pennsylvania  
7 Department of State on this legislation  
8 included the 74 page "ESA/NBFAA 2008 State  
9 Licensing Guile" which is a compilation of  
10 licensing and regulation requirements around  
11 the country.

12 "The border states to Pennsylvania,  
13 especially New York and New Jersey, have  
14 extensive licensing and regulation laws and  
15 requirements.

16 "The State of Ohio is actively  
17 considering similar legislation in their  
18 legislature. While each state is different  
19 and unique, many legislatures have enacted  
20 laws supporting licensing and regulation of  
21 our industry along the lines of House Bill  
22 1544. One of our main goals in testifying  
23 today is to provide reasons for the  
24 Committee to consider passage of House Bill



1 1544.

2 "Everyday professional installers and  
3 monitoring companies are involved in  
4 performing technical and complicated work to  
5 secure, install and maintain electronic life  
6 safety/fire alarms and electronic security  
7 equipment to make Pennsylvania's homes,  
8 offices, shopping centers, churches,  
9 schools, banks, power plants, utilities,  
10 public and private sites safe and protected  
11 from harm.

12 "ESA members have access to homes and  
13 businesses. Consumers must be able to  
14 trust that the employee performing the work  
15 is not a convicted criminal and will provide  
16 a professional service.

17 "It all starts when the customer opens  
18 their door, invites the employees in,  
19 permits them to install a security system  
20 that will protect their wives, husbands,  
21 children, parents and other loved ones from  
22 harm. The employees have the security codes  
23 to access the homes and monitor the premise.  
24 What other profession is so integral to the

1 well being and safety of your neighbors  
2 throughout the State of Pennsylvania?

3 "House Bill 1544 provides a means to  
4 protect the consumer from dishonest and  
5 perhaps criminal elements seeking to take  
6 advantage of this access to homes and  
7 businesses.

8 "House Bill 1544 will help regulate and  
9 create a professional workforce that  
10 directly impacts this trusting relationship  
11 between the consumer and the electronic life  
12 safety and security professional.

13 "We will not at this time, nor do we  
14 find it helpful to list any business or  
15 industry that does not deserve licensing and  
16 regulation. We understand that the  
17 Committee has other legislation from other  
18 occupations now under consideration. We  
19 will state for the record that there is no  
20 more important argument that can be made to  
21 protect consumers in the area of public  
22 safety, anti-crime and anti-terrorism  
23 through permitting the licensing and  
24 regulation of the industry embodied in House

1 Bill 1544.

2 "We have made other arguments around  
3 the country, and do so in Pennsylvania,  
4 supporting licensing as a means to raise  
5 standards and professionalism in an ever  
6 changing technological industry that  
7 utilizes up to date security equipment and  
8 devices which seek to protect the public.

9 "We applaud the Pennsylvania Burglar  
10 and Fire Alarm Association in its position  
11 that the licensing of electronic life safety  
12 and security systems contractors in the  
13 state will seek to insure that qualified  
14 persons obtain licensure.

15 "House Bill 1544 will help ensure that  
16 the applicants have sufficient technical  
17 knowledge in the electronic life safety and  
18 security systems trade and will allow, upon  
19 licensure, disciplinary procedures and  
20 effective policing of the industry.

21 "For consumer protection ESA believes  
22 that these companies and employees who  
23 provide these services will have sales,  
24 installation and service standards to

1 improve business practices and  
2 accountability.

3 "Two other reasons are compelling to  
4 pass House Bill 1544. The first relates to  
5 the importance of our industry in protecting  
6 citizens. While each state is different, we  
7 could not help but notice that in the 2008  
8 Annual Uniform Crime Report submitted to the  
9 Governor of Pennsylvania, that property  
10 crime occurred once every one minute and  
11 forty-six seconds, burglary every nine  
12 minutes and five seconds, and violent crime  
13 once every ten minutes and twenty-five  
14 seconds. The number of offenses across the  
15 board has been increasing and is well over  
16 the 348,000 reported to Pennsylvania police  
17 departments in 2008. Property crime is  
18 increasing especially in our hard economic  
19 times as well as the potential for terrorism  
20 and other public safety concerns.

21 "The Pennsylvania Burglar and Fire  
22 Alarm Association members are at the  
23 forefront of public safety and they work  
24 with the law enforcement and fire

1 communities to help citizens protect their  
2 lives and property. It is only fitting that  
3 the state legislature permit this industry  
4 the licensing and regulation needed to  
5 fulfill their business operations and at the  
6 same time protect the public.

7 "The second reason relates to a need to  
8 have statewide licensing and regulation  
9 including standardized professional training  
10 and other requirements that are found within  
11 House Bill 1544.

12 "This is especially true in large urban  
13 areas that are close to New York or New  
14 Jersey in which some businesses have  
15 customers across borders or in other  
16 localities. There are more than twenty-five  
17 hundred municipalities in the State of  
18 Pennsylvania, and we have found across the  
19 country that in many towns and cities as  
20 well as counties, individual licensing and  
21 regulation ordinances appear which may be  
22 inconsistent and place a very heavy burden  
23 on the small business owner and our industry  
24 to comply.

1                    "It is not unrealistic for members in  
2                    our industry to hold dozens of different  
3                    licenses, undertake dozens of licensing  
4                    requirements, all of which do not benefit  
5                    the Pennsylvania consumers and certainly do  
6                    not benefit the small business owner who  
7                    must comply with these local requirements.

8                    "The ESA supports passage of House Bill  
9                    1544 to protect the consumer's welfare and  
10                   hold electronic life safety and security  
11                   professionals accountable. The need to have  
12                   competent and knowledgeable professionals in  
13                   our industry along with the need to have  
14                   reputable employees without a criminal  
15                   background cannot be overstated.

16                   "These are the many reasons that our  
17                   industry is supporting legislation such as  
18                   House Bill 1544. We urge your positive vote  
19                   both in this Committee, on the House floor,  
20                   and ultimately in final passage of this  
21                   legislation?

22                   - - -

23                   CHAIRWOMAN HARHART: Thank you for your  
24                   testimony.

1                   Anyone have any questions?

2                   REPRESENTATIVE BOYLE: Well, first  
3                   before I ask my questions, let me just thank  
4                   the Republican Chair of the Committee as  
5                   well as the Democratic Chair, Representative  
6                   McGeehan, for agreeing to hold this meeting  
7                   on my bill.

8                   I think it's an important and worthy  
9                   piece of legislation and needed here in the  
10                  Commonwealth of Pennsylvania.

11                  So, before I start my questions, I just  
12                  want to say thank you to both Chairs.

13                  Also, I point out that really the  
14                  hearing is we only have so many legislative  
15                  days at least before the election and a few  
16                  more after November, but even if this is not  
17                  acted upon at this legislative session, I  
18                  will be introducing this because I do think  
19                  this bill is very much needed for a number  
20                  of reasons that have been pointed out, and  
21                  having a hearing on the record is a critical  
22                  step in the legislative process.

23                  So, I appreciate everyone being here  
24                  today.

1                   In terms of this bill, I just have a  
2                   couple questions.

3                   The first is to the best of my  
4                   knowledge, Pennsylvania is only one of seven  
5                   states that does not have legislation  
6                   licensing such as this.

7                   Is that your understanding as well?

8                   JOHN CHWAT: Yes.

9                   If you review the document which I  
10                  prepared, by the way, in the Sunrise  
11                  Evaluation, every state is different; and as  
12                  most states have licensing of life safety,  
13                  fire and electronic securities, there are  
14                  some states that have fire, some have a mix,  
15                  but you are correct that there is only  
16                  approximately seven.

17                 REPRESENTATIVE BOYLE: The only other  
18                 question that I really have is in those  
19                 states, to the best of your knowledge, that  
20                 have recently introduced licensing, have  
21                 you seen a notable crackdown on kind of the  
22                 incidents of fly-by-night, for lack of a  
23                 better term, companies that don't have the  
24                 professionalism say like your members?



1                   Has there been a reduction where bad  
2                   business practices have been common by those  
3                   that just start up, hang a shingle and  
4                   suddenly say that they are security  
5                   installers?

6                   MR. CHWAT: Yes.

7                   Mississippi and Alabama would be  
8                   some examples within the last year.

9                   Those states internally within the  
10                  state chapter, let's say the Mississippi  
11                  Alarm Association or within the industry  
12                  itself, once the bill had been to a point  
13                  within the legislative process that it had  
14                  looked like it was going to pass, the  
15                  negotiations had finished and the industry  
16                  itself at that level started to focus more  
17                  on training and on certification and on  
18                  getting up to speed, those members were  
19                  very, very encouraged on the professionalism  
20                  that the licensing legislation brought.

21                  The same phenomena takes place that  
22                  the industry is expected to undertake, get  
23                  up to speed to get the licensing, get the  
24                  members that do not want to do that to

1 realize that they have to have a license to  
2 do business, and it's a very, very popular  
3 and a very, very important aspect to  
4 maintain their sales, installation and  
5 servicing professionalism and keep up with  
6 the trends and the technology in the  
7 industry.

8 REPRESENTATIVE BOYLE: Thank you.

9 REPRESENTATIVE WANSACZ: First off, I  
10 would just like to applaud Representative  
11 Boyle as I have been on the Committee ten  
12 years.

13 Obviously, you guys are seeing that  
14 security has probably grown very much over  
15 the past ten years.

16 Whenever any group comes to us for  
17 licensing, do you have now or are you  
18 proposing any type of grandfathering at all  
19 in this bill?

20 JOHN CHWAT: That would be a more  
21 technical question.

22 I would defer to our State Chapter to  
23 answer that question.

24 It's the equivalent to taking the Fifth

1 Amendment. Congress.

2 REPRESENTATIVE WANSACZ: You currently  
3 now probably have personal liabilities  
4 protection insurance in case something  
5 happens with one of your employees.

6 Under this bill, it would mandate it,  
7 but you are required already to have that.

8 Am I correct?

9 JOHN CHWAT: There is a liability  
10 provisions in all the licensing laws that  
11 are passed all through the country and that  
12 is a key aspect to the other laws that we  
13 detail. Yes.

14 REPRESENTATIVE WANSACZ: But do  
15 companies now if you are not licensed, are  
16 they required already to obtain that?

17 JOHN CHWAT: In the Commonwealth, I want  
18 to defer to my colleagues to answer that.

19 REPRESENTATIVE WANSACZ: Thank you.

20 JOHN CHWAT: Thank you.

21 I apologize to the Committee, but as  
22 Harry Truman said, "A billion and a trillion  
23 here and there, soon you are talking real  
24 money."

1                   CHAIRWOMAN HARHART: That's perfectly  
2                   all right.

3                   Thank you for your testimony. Have a  
4                   good trip.

5                   The next testifier is Danette  
6                   Tizkowski, Past President of the  
7                   Pennsylvania Burglar and Fire Alarm  
8                   Association and Vice President/General  
9                   Manager of Vector Security, Inc.

10                  Also Patrick Egan who is the President  
11                  of Select Security.

12                  DANETTE TIZKOWSKI: Thank you,  
13                  everyone.

14                  Chairman Harhart, Members of the  
15                  Committee and Staff, on behalf of the  
16                  Pennsylvania Burglar and Fire Alarm  
17                  Association, we thank you for the  
18                  opportunity to allow us to come here to  
19                  express our support of House Bill 1544.

20                  I am the Past President of the  
21                  Pennsylvania Burglar and Alarm Association.

22                  I am also Vice-President/General  
23                  Manager of Vector Security in Wilkes-Barre,  
24                  Pennsylvania.

1                   It's good to see you here.

2                   REPRESENTATIVE WANSACZ: It's good to  
3                   have you here.

4                   DANETTE TIZKOWSKI: We employ over  
5                   twenty-seven hundred technicians, personnel  
6                   in the State of Pennsylvania.

7                   We are the trade association for  
8                   security alarm companies in the state.

9                   We are the voice of the security alarm  
10                  industry in the state.

11                  If I could describe our industry, I  
12                  would say that we provide a public safety  
13                  benefit through detection that results in  
14                  dispatch for help, and we also represent  
15                  distributors and manufacturers who do  
16                  business within the Commonwealth.

17                  We are the voice of the security  
18                  industry in Pennsylvania and our membership  
19                  is one hundred percent in support of House  
20                  Bill 1544.

21                  If you look at the type of clients that  
22                  we have in the Commonwealth, we provide  
23                  security to residential, commercial,  
24                  governmental and institutional customers who

1           either require to have systems installed,  
2           fire alarm, intrusion detection, card access  
3           or that they are mandated by either their  
4           insurance companies to have this, but we  
5           also help our customers in the state address  
6           federal mandates such as HIPPA and Sarbanes  
7           Oxley.

8                         We provide security to the critical  
9           infrastructures, whether it's the government  
10          buildings, federal, local, state, public  
11          utilities, airports, rail stations, ports,  
12          water supply and storage, hospitals, drug  
13          companies, and as John Chwat said, that is  
14          critical for Homeland Security in  
15          Pennsylvania.

16                        Our main purpose in working with our  
17          customers is to help them mitigate risk at  
18          their facilities through monitoring and  
19          deterrence, yet as you know, there is no  
20          oversight in the State of Pennsylvania for  
21          alarm companies.

22                        What we are trying to do is to ask for  
23          licensing to improve performance and  
24          reliability.

1                   We are also asking for consistent  
2                   training, testing and performance.

3                   To give you an example, and this is  
4                   from a senior level as Vice-President of  
5                   Vector in Wilkes-Barre, there is such a  
6                   varied educational environment for the  
7                   alarm.

8                   For example, in the City of Scranton,  
9                   we have to be licensed as an electrical  
10                  contractor.

11                  I attended a seminar for eight hours  
12                  that taught me how to wire amusement park  
13                  rides and how to wire outlets in a hospital.

14                  There was nothing that I could take  
15                  back that would improve my business.

16                  So, what we are looking for in this  
17                  licensing is to have that consistent  
18                  education but that pertains to our industry,  
19                  not for another industry to tell us what we  
20                  need to do, and I think that's critical for  
21                  the industry in Pennsylvania.

22                  Technology is changing and some of the  
23                  educational requirements have no legal  
24                  relevance on the alarm industry.

1           And so, what we are trying to do in  
2           order to make this a more professional  
3           industry in Pennsylvania is to get  
4           consistent performance from our members.

5           There is also easy access into the  
6           industry.

7           We talked a little about this in John  
8           Chwat's testimony.

9           Companies can come into the State of  
10          Pennsylvania, and in our industry it is  
11          termed summer programs. They are usually  
12          trained out West, Utah, in that area, and  
13          they train the salespeople, and they bring  
14          them into different states including  
15          Pennsylvania because we have seen them in  
16          Scranton, Wilkes-Barre, Philadelphia,  
17          Allentown, and what they do is go door to  
18          door soliciting individual customers.

19          If there are issues with the alarm  
20          company, you cannot find them, and often  
21          times we hear from the authorities having  
22          jurisdiction in these areas, well, where do  
23          we find the owners of these companies. You  
24          can't.



1                   They go from locale to locale doing the  
2                   summer programs from April through  
3                   September.

4                   There is no licensing penalties.

5                   There is nothing to tell a consumer  
6                   what they are buying is from a qualified  
7                   company in the State of Pennsylvania.

8                   We are asking the licensing we hope to  
9                   see in HB 1544 passed so that we insure  
10                  that qualified persons obtain licensures  
11                  because we need to know that the applicants  
12                  have sufficient knowledge in the industry.

13                  Poorly installed systems result in loss  
14                  of property and life.

15                  The licensure law shall also ensure  
16                  that new entrants into the life safety  
17                  business will have the education,  
18                  supervision and background checks needed to  
19                  serve the public.

20                  This will also help instill a level of  
21                  confidence to the consumer in this great  
22                  Commonwealth.

23                  This will ensure that the alarm  
24                  companies in Pennsylvania are governed by a

1 board which will administer and enforce the  
2 act, investigate applications and establish  
3 minimum qualifications for licensure.

4 I'm going to turn this over to Patrick  
5 Egan, and he will outline some of the  
6 details of the bill that may answer some of  
7 the questions that Representative Wansacz  
8 had posed earlier.

9 PATRICK EGAN: Thank you. Good morning,  
10 Madam Chairwoman and Committee Members. I  
11 appreciate the opportunity to speak with  
12 you.

13 Again, I am Patrick Egan. I was an  
14 original founder and am currently the  
15 President of Select Security.

16 As I mentioned earlier to our  
17 Chairperson, I've spent about twenty-seven  
18 years attempting to get licensing in  
19 Pennsylvania for the alarm industry.

20 So, this is a good day to have a  
21 hearing scheduled, and I applaud the efforts  
22 of those involved.

23 Danette did a pretty job in giving good  
24 background of why we need licensing, but

1 specifically in the bill, we are calling it  
2 as you know House Bill 1544, otherwise  
3 known as the Electronic Life Safety and  
4 Security Systems Contractors Licensure Act  
5 establishes that State Board of Electronic  
6 Life Safety & Security Systems Contractors  
7 within the Department of State under the  
8 Borough of Professional and Occupational  
9 Affairs.

10 Under the Bill, the State Board would  
11 be comprised of individuals active in the  
12 industry, private consumers and  
13 representatives from the public safety  
14 committee as well as the Department.

15 The Bill establishes a two-tiered  
16 licensing requirement which seeks to  
17 regulate the business entity as well as the  
18 individual system installers and the service  
19 and sales personnel and the system  
20 monitoring staff.

21 The business entity would be required  
22 to register a responsible individual or  
23 qualifying agent to represent the business  
24 as well as insure that the business is in

1 compliance with the bill's regulations.

2 Additionally, the Bill requires that  
3 the business provide proof of insurance.

4 An example is I'm the qualifying agent  
5 for the State of Virginia. We monitor about  
6 forty-four thousand accounts in our  
7 monitoring company in Pennsylvania.

8 In the State of Virginia, all of our  
9 monitoring personnel that monitor accounts  
10 in Pennsylvania must have background checks,  
11 must have been fingerprinted, et cetera, and  
12 have minimum training requirements.

13 As the qualifying agent for the State  
14 of Virginia, I insure that our people meet  
15 those qualifications.

16 I am the responsible party that they  
17 come to at my company if there is an issue.

18 The business entity will be required  
19 under the bill to register the individual  
20 systems installers, the service personnel,  
21 the sales personnel, and the monitoring  
22 staff in the bill are referred to as alarm  
23 agents. They will be required to attain  
24 certain industry specific training provided

1 by the nationally recognized Electronic  
2 Security Association's National Training  
3 School, which is a very old program and a  
4 well received nationally trained program,  
5 and there are others as well as submit  
6 fingerprints and have background checks  
7 done.

8 Additionally, each qualifying agent and  
9 alarm agent will be required to pass a state  
10 administered examination verifying both  
11 technical and professional competencies.

12 Lastly, each qualifying agent and  
13 alarm agent will be required to submit  
14 twenty-four hours of approved CEU,  
15 continuing education, as part of the license  
16 renewal process.

17 Now, as a business owner who operates  
18 throughout Pennsylvania, I have five offices  
19 as far west as Franklin, Pennsylvania, and  
20 Venango, Pennsylvania.

21 I can tell you that House Bill 1544  
22 will additionally provide a much needed  
23 degree of uniformity to the current but very  
24 limited municipal regulations under which we

1                   currently operate.

2                   Our company holds alarm licensing in  
3                   thirty-five individual municipalities which  
4                   range in coverage from a simple operating  
5                   license to full background checks and  
6                   training.

7                   Of even greater concern are the costs  
8                   incurred to there being no uniformity in the  
9                   requirements from one municipality to  
10                  another over and over again despite the fact  
11                  that it has been done in a neighboring  
12                  area.

13                  House Bill 1544 clearly provides this  
14                  continuity and uniformity of by  
15                  centralizing the fingerprints, background  
16                  checks, training, continuing education and  
17                  insurance requirements throughout the  
18                  state, and therefore, ensures a consistent  
19                  level of professional competency for the  
20                  consumers to rely on.

21                  In closing, House Bill 1544 will impose  
22                  regulation of burglar and fire alarm  
23                  companies to greatly reduce false alarms  
24                  from unqualified service providers and

1 other companies not registered and companies  
2 that do not regulate or standardize their  
3 installation processes and procedures.

4 Most importantly, the legislation  
5 requires background checks and prescribes  
6 educational requirements and testing  
7 criteria for alarm professionals which will  
8 allow the public to identify a licensed  
9 professional based on their competency and  
10 integrity.

11 This not only enhances public safety  
12 but also eliminates public confusion as to  
13 competency and integrity of professionals in  
14 our industry.

15 We believe that enacting strict but  
16 fair licensing regulation embodied in House  
17 Bill 1544 must remain a priority of the  
18 General Assembly in the current legislative  
19 session.

20 The Pennsylvania Alarm Association  
21 pledges to work in conjunction with you in  
22 advancing this very important public  
23 proposal to the forefront.

24 Thank you for the opportunity. I will

1                   be available for questions.

2                   CHAIRWOMAN HARHART: I just have one.

3                   PATRICK EGAN: Yes, ma'am.

4                   CHAIRWOMAN HARHART: Maybe just to  
5                   clarify, and I heard Danette say we have our  
6                   fly-by-nights, and you can never locate  
7                   them.

8                   There is a website that we have that  
9                   each independent contractor has to register  
10                  on that website.

11                  PATRICK EGAN: That is Consumer  
12                  Protection.

13                  CHAIRWOMAN HARHART: Through the  
14                  Attorney General's Office.

15                  PATRICK EGAN: Yes. I can tell you  
16                  right now that a company called Apex sold  
17                  over two thousand systems in Berks and  
18                  Lebanon and Lancaster County this year, and  
19                  they are not registered. That was this  
20                  summer.

21                  I intentionally did not notify them to  
22                  see if they would comply with the law. I  
23                  know the manager. They did not register. I  
24                  know that for a fact.



1 CHAIRWOMAN HARHART: Interesting.

2 DANETTE TIZKOWSKI: If you look at the  
3 Home Improvement Act, there is a dollar  
4 amount that is required.

5 Unfortunately, if they are under that  
6 dollar amount, there is no need or reason  
7 for companies, especially the door-to-door  
8 solicitors, to register.

9 PATRICK EGAN: They have a company in a  
10 small town, and I'm thinking of the county  
11 and I'll have it in just a second,  
12 Lackhaven, we have a small guy there with a  
13 hundred and fifty. He has not registered  
14 with Consumer Protection.

15 There is no complaints. I know that he  
16 does not carry errors and omissions. He  
17 works out of his house.

18 I'm not saying that he does good or  
19 bad work.

20 There is no enforcement for that is  
21 what I'm saying.

22 CHAIRWOMAN HARHART: That is a problem.  
23 Sometimes we put laws in place, and then,  
24 the enforcement becomes a problem.

1 PATRICK EGAN: I understand.

2 There was an earlier question from  
3 Representative Wansacz, and I have an office  
4 up in the Pocono region, too, so I applaud  
5 you for being here.

6 We do have a person who has got five  
7 years experience.

8 We are not using the language  
9 grandfathered, but they will be immediately  
10 issued a license as long as they meet the  
11 other licensure.

12 They have to pass a test, but if they  
13 have been doing this business for five years  
14 or more, they ought to be able to pass a  
15 simple mechanical test that is put on by a  
16 nationally approved testing agency.

17 REPRESENTATIVE WANSACZ: Thank you.

18 Now currently, the question I asked  
19 before, too, about personal liability, are  
20 you required now as company owners to carry  
21 that?

22 PATRICK EGAN: We are not.

23 As members of the Pennsylvania Burglar  
24 and Fire Alarm Association, we do require

1                   general insurance.

2                   But under this bill and most companies  
3                   I know, ADT and Vector and the large  
4                   companies, we do carry errors and omissions,  
5                   and it's a specialized insurance, and it is  
6                   not required currently.

7                   There is not personal liability  
8                   insurance required.

9                   REPRESENTATIVE WANSACZ: I think there  
10                  is many pluses to being licensed.

11                  One of the things that concerned me is  
12                  being grandfathered. You said everybody is  
13                  going to have to take a test.

14                  I believe that your requirements are a  
15                  little low, only seventy percent needed to  
16                  pass it.

17                  I would applaud you to take a look at  
18                  that and maybe try to bring that up.

19                  If somebody is in the business, they  
20                  should easily know what they are talking  
21                  about.

22                  PATRICK EGAN: I agree. I agree.

23                  REPRESENTATIVE WANSACZ: I understand  
24                  especially when we dealt with the statewide

1 building code, to have one code for all the  
2 municipalities is very easy.

3 You don't want everybody in Scranton  
4 knowing how amusement rides work.

5 PATRICK EGAN: I know. That is scary.

6 I think when you look at this, if you  
7 could imagine requiring my installer to have  
8 a different driver's license as he went from  
9 municipality to municipality, that is not  
10 necessary.

11 Lancaster Township, my own township, I  
12 just approved a license that requires an ID  
13 that has their township logo located on it.

14 Now, I have to have an ID just for  
15 their township for an installer or service  
16 technician with that name on there. With  
17 the Lancaster Township logo and the ID on  
18 there.

19 It's ridiculous. It's ridiculous.

20 REPRESENTATIVE WANSACZ: Here's my  
21 question.

22 When it comes to licensing, a lot of  
23 times it does have a positive and negative  
24 impact on the consumer.

1                   What would you see as a negative impact  
2                   on the consumer?

3                   I understand all the positives.

4                   PATRICK EGAN: To being licensed?

5                   REPRESENTATIVE WANSACZ: Would there be  
6                   an increased cost to them I'm assuming?

7                   PATRICK EGAN: I don't believe that the  
8                   minimal cost associated with this licensing  
9                   would be passed down to consumers.

10                  I believe that I will spend less money  
11                  in the six areas that I do business in than  
12                  having thirty-five different licenses  
13                  administered.

14                  So, I don't see a financial impact.

15                  I can't see one negative reason that a  
16                  consumer would not benefit by having a  
17                  certified, trained, licensed and insured  
18                  technician or salesperson knocking on their  
19                  door.

20                  DANETTE TIZKOWSKI: As a representative  
21                  of Vector Security, in many of the  
22                  municipalities, we already pay licensing  
23                  fees, and it is not a common practice to  
24                  drop that down to consumers.

1                   So, no. I do not think that this bill  
2                   will have a negative impact as far as higher  
3                   prices to the consumer as security systems  
4                   are concerned.

5                   PATRICK EGAN: Just to expand, one of  
6                   the real benefits, and we touched on this in  
7                   the bill and we will hear this in a little  
8                   bit from the safety side, police and fire,  
9                   that alarms are absolutely our industry's  
10                  biggest problem and, you know, probably  
11                  ninety-five percent of the alarms last night  
12                  that we sent the police and fire on were  
13                  probably false.

14                  If I dispatched two hundred alarms last  
15                  night and forty-three thousand eight hundred  
16                  systems did not go off, I had a ninety-five  
17                  percent effective rate last night.

18                  We are all working through enhanced  
19                  verification and things like that.

20                  There are a lot of companies that do  
21                  not subscribe to reducing false alarms.

22                  If you install a smoke detector at the  
23                  wrong location, you are going to be running  
24                  fire trucks out.

1                   If we are taxing our career  
2                   departments, and we are crying wolf way too  
3                   many times, we need to improve the standards  
4                   of installation, inspection, cleaning of  
5                   those systems and reduce those false  
6                   alarms.

7                   We as a nation, we as an industry and  
8                   certainly us here in Pennsylvania need to do  
9                   that.

10                  REPRESENTATIVE WANSACZ: I applaud you,  
11                  Representative Boyle. You have done a good  
12                  job, but as the Chairwoman pointed out,  
13                  without the proper enforcement, even if you  
14                  get licensed, if our Attorney General is not  
15                  going to be aggressively pursuing this bill,  
16                  you are still going to be dealing with the  
17                  companies that you were talking about.

18                  PATRICK EGAN: Well, I would hope that  
19                  whoever from our industry on the Board is  
20                  the right person.

21                  If not, we will be taking action. We  
22                  will remove them. We know who they are out  
23                  there, those who are unlicensed and who are  
24                  uninsured.

1                   We are going to be a self-policing  
2                   body. We have got six hundred and fifty  
3                   some alarm people. We are going to report  
4                   it to the Board.

5                   If the Board does not take action, it  
6                   doesn't take action.

7                   REPRESENTATIVE BOYLE: I don't have any  
8                   questions.

9                   I'll just simply say thank you to you  
10                  both for your leadership on this issue.

11                  I know you have been fighting on it for  
12                  quite sometime.

13                  I have only come on the scene on this  
14                  issue in the last year-and-a-half, and I  
15                  know that this effort started this way  
16                  before I came on, but I think it's  
17                  obviously, I think it's a very important  
18                  consumer protection bill, and I just want to  
19                  thank both of you for your leadership on  
20                  this issue.

21                  CHAIRWOMAN HARHART: Twenty-seven years  
22                  did you say?

23                  PATRICK EGAN: We might have started  
24                  before Representative Boyle was born.



1                   REPRESENTATIVE BOYLE: I saw that  
2                   coming, Mr. Egan, and let me point out for  
3                   the record, I am thirty-three.

4                   DANETTE TIZKOWSKI: I would like to say  
5                   that Pat is not talking for me.

6                   CHAIRWOMAN HARHART: Well, I thank you  
7                   both very much for your testimony. Thank  
8                   you.

9                   The next testifier will be Jay Huhn,  
10                  Chief Technology Officer and Vice-President  
11                  of Industry Relations, and Jay Strohl,  
12                  Northeast Region Area Operations Manager.

13                  Welcome, gentlemen.

14                  JAY HAUHN: Representative Boyle,  
15                  Chairwoman Harhart, Members of Committee and  
16                  Staff, good morning.

17                  My name is Jay Huhn, and I am the  
18                  Chief Technology Officer for ADT Security  
19                  Services and Vice-President of Industry  
20                  Relations for all the ADT Security Services  
21                  through North America.

22                  ADT is the nation's largest provider of  
23                  electronic security with two hundred and  
24                  sixty-seven offices nationwide.



1 public.

2 I will say that I am a corporate  
3 employee for ADT. I do have a son that  
4 lives in Kutztown. My daughter is a recent  
5 graduate of LaSalle University.

6 My other son is a third year freshman  
7 at York College of Pennsylvania.

8 I'm working on that.

9 It is our firm belief that licensing  
10 does remote protection of the public as a  
11 little bit redundant to what you heard  
12 before and that licensing does indeed  
13 accomplish this by regulating the  
14 requirements for security company  
15 employees.

16 Best practice methods to accomplish  
17 this are for qualifying agents and those  
18 qualifying agents whose job it is to  
19 absolutely insure that the minimum  
20 requirements for education and experience  
21 are met and to establish tests and  
22 requirements to set those minimum standards.

23 Fingerprints.

24 So, with ADT for security industry

1           personnel and just because of our shear  
2           size, we do very extensive background  
3           checks, but this would have it codified  
4           versus the suggestion is very much we are in  
5           favor of this, and also, it will establish  
6           the minimum standards for training.

7                     By establishing alarm industry  
8           licensing in Pennsylvania within the  
9           existing Bureau of Professional and  
10          Occupational Affairs, we believe we will  
11          avoid any duplicate efforts within the  
12          Commonwealth.

13                    I am not going to be redundant; and as  
14          you heard from Mr. Egan, the cost of the  
15          plethora of different items is huge to the  
16          small businesses and, of course, to us  
17          also.

18                    We believe that establishing a single  
19          alarm licensing entity for qualifying agents  
20          will provide the Commonwealth with minimal  
21          points of contact to communicate industry  
22          standards.

23                    It makes it one path to get messages  
24          out to the industry as a whole.

1                   It is important to note that security  
2 industry employees are entrusted to be in  
3 citizens' homes and businesses.

4                   There is a lot of trust put in us just  
5 by the very nature of what we do. Just by  
6 performing the security-related work.

7                   There is a lot of trust with us, and  
8 these background checks that the person  
9 coming in their house has are appropriate  
10 checks.

11                   Because of that level of trust, we  
12 firmly believe that Pennsylvanians should  
13 accept nothing less than minimal training  
14 standards as well as background checks.

15                   So, with that said, like I said, I  
16 will be very brief.

17                   ADT strongly supports Electronic Life  
18 Safety and Security Licensing as established  
19 by HB 1544.

20                   Representative Boyle, I applaud you for  
21 the path you have seen to have this hearing.

22                   The citizens of Pennsylvania will  
23 strongly benefit from the provisions in this  
24 bill as it will add Pennsylvania to the

1 current list of forty other states or  
2 commonwealths that require licensing for  
3 security industry employees and  
4 contractors.

5 That's the end of my remarks, but I'll  
6 answer a little bit of questions.

7 If I could add one thing.

8 There was a challenge in the country  
9 with what those of us in the industry call  
10 door knockers.

11 As Mr. Egan said, they pour in over the  
12 summertime, and they are not licensed. They  
13 leave in the Fall.

14 Even the states that do have licensing  
15 have a problem with these door knockers and  
16 licensing has been a tool with the Attorney  
17 General.

18 Challenges of these folks have been  
19 that they go toward mostly the elderly and  
20 our Seniors who are intimidated by  
21 strong-willed salespeople, and licensing has  
22 been a tool to assist in the industry of  
23 doing away with that.

24 I'll say in Pennsylvania, not in

1 Pennsylvania, I apologize, in Texas, they  
2 recently, and there are state law required,  
3 that the licensing should even be held in  
4 the state, and they have to have paperwork  
5 on file in a state such as Utah. They ask  
6 the sales folks about their licensing, and  
7 by the time they say they will produce it,  
8 they have all worked through the system.

9 They tell them we have to send out of  
10 state to get it, and the program was over,  
11 and these kids were back in Utah going to  
12 school.

13 By requiring the licensing, you have to  
14 show the license within a week, and they  
15 were able to use this to challenge on the  
16 door-knocking industry I'll call it.

17 With that, I'll introduce Jay Strohl  
18 who is the Manager of our Northeast Region.

19 JAY STROHL: My name is Jay Strohl. I  
20 am the Area Operations Manager for Central  
21 and Eastern Pennsylvania.

22 Jay already mentioned that we had  
23 eleven ADT offices. I will correct Jay, and  
24 say we actually have twelve in

1 Pennsylvania. He is not used to the real  
2 small ones that we have, and we do employ  
3 over five hundred and fifty employees who  
4 reside in the great Commonwealth and have  
5 been providing electronic security solutions  
6 for various types of consumers from  
7 residential to commercial, small business,  
8 education, health care, governmental.

9 We provide a lot of services for the  
10 government institutions across the state,  
11 and we have been doing this for over a  
12 hundred years.

13 ADT Security Services supports the  
14 Electronic Life Safety Security Licensing as  
15 proposed under House Bill 1544.

16 The licensure embodies what we have at  
17 ADT such as customer service, excellence,  
18 integrity, accountability as well as  
19 teamwork.

20 Mandating this will benefit the  
21 citizens of Pennsylvania first and foremost  
22 by adding consumer protection while  
23 enhancing public safety by the following  
24 points:



1                    Providing professional competency and  
2 integrity from sales, installation and  
3 monitoring providers officers in the  
4 electronic life safety security industry.

5                    For example, ADT, we require all our  
6 reps if they are selling to residential  
7 consumers, small business consumers,  
8 commercial to go through what we call a  
9 model sales call.

10                   This call allows each of the sales  
11 reps to deliver a consistent, complete and  
12 professional sales presentation process to  
13 all consumers.

14                   As far as the installation team, we  
15 will use a customer.

16                   The installer will walk through with  
17 the homeowner or the business owner after  
18 the final completion of the installation to  
19 insure that everything that we sold on the  
20 contract was delivered and the customer  
21 signs off.

22                   We will not close or bill that customer  
23 until we have a customer sign off.

24                   In fact, we have already terminated

1 people by closing those jobs not being  
2 complete.

3 Recently we just rolled out a process  
4 called Security Expert. This focuses on the  
5 professionalism such as appearance and the  
6 ingredients of our industry, and that is  
7 providing IDs at all times.

8 As mentioned before, we go into homes,  
9 we go into businesses and many different  
10 institutions, and what I see personally in  
11 the industry is the lack of ID, and I don't  
12 understand how people would let somebody  
13 into their home without that identification.

14 We also provide soft skills to  
15 communicate professionally with the customer  
16 improving the quality of the service call.

17 We also have a quality assurance team  
18 who completes a follow-up call to the  
19 customers using a script that centers around  
20 the model case call.

21 It also covers the installation process  
22 and our service process so we know we are  
23 meeting the customers' expectation.

24 If there are customer resolutions that



1 at that time.

2 We were required to take a licensing  
3 test so that we could do licensing in  
4 Allentown.

5 There was not one question on that test  
6 related to this industry.

7 I had to explain allow to wire a  
8 dishwasher. How to wire a sign.

9 I am a Master Electrician by trade, so  
10 I was able to answer those questions.

11 That's why we even stopped sending  
12 that because we are not required to have  
13 every individual licensed.

14 We just pick so many people just so we  
15 can continue to work in the city.

16 ADT also provides on-line computer  
17 courses through our Learning Management  
18 System as well as classrooms that are  
19 consistent with our ADT policies.

20 Most importantly, it is consistent  
21 with our soft skills, safety, sales,  
22 installation and services.

23 Furthermore, we enhance the confidence  
24 and peace of mind of our customers and the

1           Electronic Life Safety and Security through  
2           background checks.

3           A lot was spoken already about  
4           background checks and what I see a change in  
5           especially through the education system when  
6           we provide security there, we actually  
7           physically have to provide them with the  
8           background of our technicians, sales reps  
9           and installers.

10           It's going further than that now. Just  
11           about two months ago, we have regular  
12           commercial businesses asking for the same  
13           information.

14           So, I can't imagine why we would not  
15           just institute this across everywhere if we  
16           see businesses doing this.

17           When I was an installer, I had to learn  
18           a lot of very personal information about a  
19           consumer in their home so we could protect  
20           it the way they needed.

21           I was as well as Jay was involved with  
22           many very large banking applications and  
23           other very large system applications to  
24           provide to their needs, and we had to

1           actually become an employee, and we had to  
2           learn a lot of personal business information  
3           about those institutes which we had to  
4           pretty much be held accountable to secrecy  
5           obviously, and to this day, there is people  
6           that I've known that I've installed  
7           twenty-six years ago.

8           I see them on the street, and it's like  
9           we are very close friends because of what we  
10          shared during those installations and  
11          services.

12          Provide accountability through a  
13          disciplinary process to address consumer  
14          complaints.

15          At ADT if we fail to meet teamwork,  
16          professionalism or performance, we address  
17          this through coaching this improvement  
18          process, performance improvement process  
19          and, if required, termination.

20          The bill also reduces improper and  
21          incomplete designs of electronic security  
22          and safety applications.

23          There are many requirements going out  
24          for proposal today.

1                   The people writing them do not have the  
2 expertise nor do they know the standards  
3 that we have to abide to.

4                   So, we find ourselves rewriting the  
5 requests for proposals for those consumers.

6                   This bill will help get past that  
7 hurdle.

8                   The bill also reduces false alarms and  
9 the related burden on public safety.

10                  The next set of testifiers will touch  
11 on this. There is a lot of valuable  
12 resources.

13                  Like myself, personally my father was  
14 a police officer for twenty-five years.

15                  So, being in the industry where I'm at,  
16 if there is a false alarm, we have had these  
17 false alarm discussions many times at home.

18                  It's not the fact that you are wasting  
19 my time on the false alarm.

20                  I'm being asked to go at a high rate of  
21 speed to respond to this false alarm, and  
22 I'm putting police officers and others in  
23 danger.

24                  At ADT we have false alarm reduction

1           programs that focus on high activity as well  
2           as outdated systems and technology.

3           The bill increases accountability and  
4           consumer protection.

5           ADT provides a money-back service  
6           guarantee.

7           It refunds the installation price and  
8           pays all monitoring costs the customers are  
9           concerned about within six months of the  
10          installation.

11          I, myself, as a business person, a lot  
12          of that is pretty much in our residential  
13          market.

14          I, myself, know because I knew of our  
15          standards in ADT and the people I worked  
16          with have passed this onto even our larger  
17          commercial accounts.

18          In closing, ADT supports the enacting  
19          of the strict by fair licensing legislation  
20          under House Bill 1544.

21          At this time, Jay Huhn and I welcome  
22          any questions.

23          CHAIRWOMAN HARHART: Thank you.

24          Any questions?



1                   REPRESENTATIVE BOYLE: I would say  
2                   thank you, and also thank you for pointing  
3                   out what you raised on another point.

4                   Actually sometimes it's something I  
5                   neglect to talk about, and that is as we are  
6                   attempting to have this statewide licensing  
7                   standard, it actually would fix some of  
8                   these little locality standards that tend to  
9                   be cumbersome.

10                  And in some cases, it doesn't make any  
11                  sense where somebody is having training on  
12                  an amusement park and somebody else is  
13                  taking a test about nothing that has to do  
14                  with security licenses.

15                  JAY HAUHN: As an alarm corporation, all  
16                  of them are against any government pushing  
17                  more regulations down on us. But here is a  
18                  bill that we are actually in support of.

19                  So, while Jay spoke a lot about things  
20                  that ADT does and we have a lot of  
21                  disciplines in place, even though we are  
22                  doing that, we are supporting it being  
23                  legislated to do that hoping that it would  
24                  carry some weight to do that.

1           It not only helps our businesses, but  
2           it helps the small businesses in the state  
3           doing that.

4           Thank you.

5           JAY STROHL: I just recently pulled an  
6           article out of the Allentown Morning Call,  
7           and they were talking about calls in the  
8           industry, and this was out there and the  
9           City Council for the City of Easton if I  
10          read the article correctly, the City of  
11          Easton has already approved and required  
12          that any work done for the City of Easton  
13          over or in excess of two hundred and fifty  
14          thousand will require the work to be done  
15          only with those providers that have an  
16          apprenticeship program.

17          It is also proposed for the City of  
18          Allentown at an even lower amount at forty  
19          thousand.

20          The only question or concern I have is  
21          nobody has defined what is the  
22          apprenticeship program.

23          We are seeing this even more often in  
24          New York State now where it started out as

1           just doing city work where now it's  
2           spreading to now more than just city work;  
3           and to this point, we still don't have what  
4           is the definition of an apprentice.

5           Thank you.

6           REPRESENTATIVE HARHART: Neil Harkins,  
7           Chief of Police of Manheim Township. Please  
8           step forward.

9           PAUL HARKINS: Good morning. My name  
10          is Neil Harkins. I am a resident of the  
11          Commonwealth, and I have been a Police Chief  
12          for the Commonwealth for the last ten years.  
13          I performed service to the Commonwealth for  
14          well over thirty years as a police officer  
15          for well over thirty years.

16          I am currently the Police Chief of  
17          Manheim Township and we service the  
18          townships of Manheim, Lancaster and East  
19          Petersburg, and I have come today to try to  
20          give you the public safety prospective on  
21          the alarms.

22          We already experience two problems with  
23          alarms, and they were touched on today,  
24          false alarms which is a problem, and the

1 secondary issue is the perceived malfunction  
2 or incompetent installation of alarms.

3 There are a number of municipalities  
4 throughout the state that have enacted some  
5 type of ordinance to try to control alarm  
6 companies for the people operating within  
7 the communities, but we have found that, in  
8 fact, has not been one hundred percent  
9 effective.

10 In terms of what we are doing here  
11 today, as a police officer, I have been  
12 asked many times both prior to, only a few  
13 times prior to but mostly after something  
14 has occurred, be it a malfunction of an  
15 alarm or incompetent installation of an  
16 alarm has occurred.

17 How do we select someone to install an  
18 alarm?

19 The common sense response is what I  
20 normally tell people a lot of different  
21 things.

22 Know who you are dealing with and check  
23 the credentials or the integrity of the  
24 credentials, and what we have found out over

1           the years is that that is not always easily  
2           done at least in terms of alarm companies  
3           without a standardized process to do so.

4           In terms of this bill today that we are  
5           speaking of, I have read it.

6           It does provide for a formal licensing  
7           and regulating process to oversee competent  
8           installation service in monitoring of fire  
9           and burglar alarms.

10          Additionally, it provides for quality  
11          control of the operations of the alarm  
12          company including the monitoring function.

13          Even it mandates, and I think this is  
14          important, employee background criminal  
15          history checks and the maintaining of those  
16          files even after the employees have left the  
17          company.

18          Practically speaking, the Bill lowers  
19          the level of risk to the consumer which at  
20          the end of the day really enhances the  
21          safety of the public.

22          Although I may not agree with the  
23          entire verbiage of the entire bill, I will  
24          say that the bill concerning the part of

1           licensing and regulation seems to be a very  
2           good foundation to build on as we move into  
3           the future, and I think that it's a good  
4           thing.

5                    Thank you.

6                    LT. TOM PAUL: I would like to thank  
7           you for this opportunity to speak before  
8           this Committee.

9                    My name is Tom Paul. I'm with the City  
10          of Lancaster for thirty-three years.

11                   Your birth year is '77?

12                   REPRESENTATIVE BOYLE: Yes. That has  
13          become quite the feature of this hearing,  
14          but yes.

15                   LT. TOM PAUL: We recognize in the City  
16          of Lancaster in the late eighties that we do  
17          have a problem with the so-called fly-by-  
18          night installations and not everybody  
19          getting the same treatment.

20                   I'm talking about commercial/fire  
21          accounts now.

22                   So, we rely on the folks at  
23          Underwriters Laboratories, and we use them  
24          as a third party.

1                   Any fire alarm system in the City of  
2                   Lancaster is required by code to be  
3                   installed by code.

4                   We require it also to be certificated  
5                   by the UL.

6                   That means that the alarm companies  
7                   also have to participate in the UL programs.

8                   So, our Certificate of Fitness Program  
9                   in Lancaster City for people doing alarm  
10                  work, they must be UL Certified, and they  
11                  must show us proof of insurance.

12                  That's it. That's a far cry from what  
13                  the requirements in this bill are.

14                  We have approximately twenty fire alarm  
15                  companies right now that we deal with in  
16                  Lancaster City, and on a yearly basis, we  
17                  have a clerk and one Fire Marshall that all  
18                  they take care of is to make sure that all  
19                  the paperwork is in line for these twenty  
20                  alarm companies to make sure that they are  
21                  still okay to be doing work in the City of  
22                  Lancaster.

23                  With this licensure program, that  
24                  would take that all out of the mix, not only

1 in Lancaster but in all other third class  
2 cities.

3 Third class cities tend to talk a lot,  
4 and the Fire Marshal in Reading might call  
5 me and say, hey, what are you guys doing  
6 down there about the alarm companies?

7 Well, we have a Certificate of Fitness  
8 Program.

9 Well, within about a year, Reading now  
10 has a Certificate of Fitness Program. So,  
11 it's catchy.

12 But if we make this the gold standard  
13 by which other alarm companies are gaged by  
14 it, it's a win-win for everybody.

15 It's a win-win for the citizens, and  
16 it's a win-win for the alarm companies, too,  
17 because they don't have to battle and look  
18 over their backs to see if the door knockers  
19 are coming.

20 So, I do support House Bill 1544, and I  
21 welcome any questions.

22 CHAIRWOMAN HARHART: Any questions?

23 REPRESENTATIVE BOYLE: Thank you both  
24 for your public service.



1                   CHAIRWOMAN HARHART: I also want to  
2                   thank you very much for your testimony.

3                   I think that's it for the testifiers.

4                   I just want to say again thank you for  
5                   coming.

6                   These public hearings I think are very  
7                   important because when a bill comes before  
8                   us, the maker of the bill certainly knows  
9                   the ins and outs of the bill, but we, a lot  
10                  of members, whether we sit on the Committee  
11                  or do not sit on the Committee, it helps  
12                  educate us, and I think that is really  
13                  important.

14                  That's why I think these public  
15                  hearings are very important. I think I  
16                  learned a lot.

17                  Well, let's hope, I don't know what the  
18                  Majority Chair has at my end. I don't know  
19                  if he is going to bring this up or not yet,  
20                  but let's hope it does not take another  
21                  twenty-seven years to do what you need to  
22                  do.

23                  And again, I applaud Representative  
24                  Boyle also for a fine piece of legislation.

1 Did you want to add anything else?

2 REPRESENTATIVE BOYLE: No.

3 I want to thank you, Madam Chair, for  
4 agreeing to hold this hearing as well as  
5 Majority Chairman Mike McGeehan.

6 As you move forward, I know the  
7 Professional Licensure Committee always is a  
8 busy committee, but I think the testimony we  
9 have heard today strongly weighs, I know I'm  
10 biased as the prime sponsor, but I think  
11 that the testimony today was excellent and  
12 is overwhelming that this sort of licensure  
13 is needed in terms of consumer protection  
14 and public safety and also actually helping  
15 the businesses that are currently doing it  
16 the right way.

17 As one of the testifiers pointed out,  
18 it's not often that we have folks from the  
19 industry coming to us and say please  
20 regulate us.

21 The fact that they do want that I think  
22 carries a great deal of weight.

23 Again, I just want to say thank you. I  
24 appreciated your time and attention to this

1 matter.

2 CHAIRWOMAN HARHART: Thank you everybody  
3 and have a great weekend.

4 LT. TOM PAUL: Thank you.

5 REPRESENTATIVE BOYLE: Thank you.

6 - - -

7 (Whereupon, the hearing was concluded  
8 at 11:28 a.m.)

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I hereby certify that the proceedings and evidence noted are contained fully and accurately in the notes taken by me of the foregoing matter, and that this is a correct transcript of the same.

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LORI MARCULINI

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