



The Professional  
Sales Force

## Professional Sales Representative Organization

*The organization that makes a difference*

What we would like you to know... April 28, 2014

IPRO



### Legislative Trends That Dealers Need to Know About

*By Nick McLain, CEDIA Public Policy & Member Communications Manager*

It's been a busy legislative season for us in CEDIA's Public Policy department. As some state legislatures are starting to wind down, I'm able to peek my head above water long enough to give you a quick summary of what we've faced so far in 2014.

Three bills in New Jersey and Maryland emerged early in the sessions as ones to watch. These bills each concerned issues that are becoming part of a general pattern that we as an industry need to watch closely.

#### **Alarm/Security Licensing**

The first bill (introduced in mid-January) is New Jersey Assembly Bill 1242. It would require anyone who designs, sells, installs, services, or maintains home automation systems, access control systems, intercom systems or closed circuit television systems to get an alarm license.

This bill fits with a disturbing trend we've come to see: the alarm/security industry is pursuing efforts to define much of our work under their sphere.

The sweeping definitions in AB 1242 are problematic. For example, anyone who installs video cameras, IP cameras, monitors, etc., would be forced to get an alarm license (which would itself require a four-year apprenticeship program), a requirement that would become effective immediately upon the bill's passage and would essentially put our guys out of work. That's not even to mention the added insurance costs to suddenly being licensed in a "life-safety" field, such as alarm/security. We estimate that insurance costs could as much as quadruple for those having to be licensed in that field.

In late March, Darren Reaman (CEDIA Director of Public Policy and pictured below), CEDIA's Trenton-based lobbyist Sal Anderton of Porzio Governmental Affairs, and two CEDIA members (Bob Gullo of Electronics Design Group and Ryan Herd of 1 Sound Choice), met in New Jersey in an important stakeholders' meeting with the bill's proponents to explain our position and objections. CEDIA is currently preparing for a meeting with the legislative bill sponsor to cover our concerns with AB 1242 in its current form and to review potential amendment language.

CEDIA faced similar bills in Texas, Florida and Michigan last year. We were successful in each state to help ensure that home technology professionals were not required to have a security license to complete home automation projects. While the Texas legislation was defeated on the House floor at the close of the 2013 Texas session, we are preparing for the issue again in 2015, and it is our hope to work with the legislation's sponsor to find some common ground.

#### **Electrical Licensing**

Maryland Senate Bill 877 and Maryland House Bill 1119 were the two other major bills that caused some trepidation. These companion bills would have phased out all licensing at the county or municipal level in Maryland and would have required anyone working in the electrical trade, including low-voltage contractors, to either *be* a master electrician or have one on-site *at all times*.

CEDIA led a coalition of national low-voltage associations to ensure that the legislation was amended so that low-voltage contractors and technicians would not have to be licensed as high-voltage master electricians. In addition, numerous Maryland-based CEDIA members provided valuable perspectives at the various committee hearings on the legislation. While HB1119 was amended and passed the House, it never got to a vote in the Senate before the session concluded on April 7. The bill could be re-introduced in a future legislative session.

These were the just latest examples of powerful groups introducing legislation that would require electrician licenses for the low-voltage work many of our dealers have done for years. We don't anticipate anything changing on this front anytime soon.

## Overview

The integration of technology has brought powerful multi-national telecommunication and security companies, as well as electrical unions, into the home automation realm, and they want to claim their stake in the industry. CEDIA works daily for our members to ensure that we are the "Voice of the Residential Electronic Systems Industry," and together we have worked hard to ensure that the ability of our members to own and operate their businesses is not impeded.

CEDIA receives daily reports covering the U.S. and Canada on legislation related to the residential electronic systems industry. Besides the bills mentioned above, Darren and I continue to monitor 279 bills in 42 states. It's a busy job, as you might imagine, but it is highly rewarding to work alongside our members so that the residential electronic systems trade is represented. We continue to lobby, track and monitor legislation that could have a direct impact on our industry.

Let your dealers know that these kinds of bills are appearing more often. If troubling legislation is introduced in their area, please advise them to reach out to CEDIA and to volunteer their time to testify and lend their expertise toward amending or defeating the bill. Legislators often don't fully understand the impact of their bills, and your dealers' testimonies could be the difference needed for amendment or defeat of them.

Many thanks to IPRO for giving us the opportunity to write to you, the manufacturers' sales representatives who are so important to our industry. I can't emphasize this point enough: being a primary day-to-day contact for most AV dealers, you are a significant resource for us to get news out about disturbing legislation or issues that the whole industry needs to know about. You're tremendously important to this industry, and you play a vital role in CEDIA's public policy efforts.



For those of you who are members of CEDIA, we thank you. Please also join the CEDIA Grassroots Legislative Network today.

You can find more information at <http://www.cedia.net/connect/government-affairs>. (This page also contains the link to the Grassroots Legislative Network page.) And, as always, you can contact me at [nmclain@cedia.org](mailto:nmclain@cedia.org) or Darren (pictured left) at [dreaman@cedia.org](mailto:dreaman@cedia.org).

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