

1 [Police alarm ordinance; technical changes to billing and remittance requirements for alarm
2 companies; limiting license fee increases to \$5 increments.]

3 **Ordinance amending the San Francisco Police Code, by amending Sections 3710.1,**
4 **3710.2, 3710.4, and 3720, to: require that alarm companies remit fees collected from**
5 **customers in a single monthly check; move the billing date for license fees, beginning**
6 **in 2005, from December 1 to November 1; clarify that the billing and remittance**
7 **requirements of the Article only apply to those alarm monitoring companies having a**
8 **direct contractual relationship with the alarm user; clarify that alarm companies shall**
9 **only be held responsible for the unpaid license fees of their customers where the**
10 **company has failed to take reasonable steps to collect the fees, and provide a**
11 **minimum threshold of what constitutes “reasonable steps”; and, limit license fee**
12 **increases to five-dollar increments.**

13 Note: Additions are *single-underline italics Times New Roman*;
14 deletions are *strikethrough italics Times New Roman*.
15 Board amendment additions are double underlined.
16 Board amendment deletions are ~~strikethrough normal~~.

17 Be it ordained by the People of the City and County of San Francisco:

18 Section 1. The San Francisco Police Code is hereby amended by amending Sections
19 3710.1, 3710.2, 3710.4, and 3720, to read as follows:

20 **SEC. 3710.1. ADDITIONAL DUTIES OF ALARM INSTALLATION COMPANY.**

21 (a) An alarm installation company shall not install an alarm for a customer who does
22 not have a current valid license under this Article, provided, however, that the installation
23 company may provide the customer with a license application form, and shall accept from the
24 customer the completed form and the applicable license fee on behalf of the Tax Collector,
25 after which the company may install the alarm system.

1 (b) No later than last day of each month following the month of collection or receipt,
2 the installation company shall remit to the Tax Collector as a single check all license fees
3 collected and completed license applications received. Remittance reports shall be in a
4 format approved by the Tax Collector and shall include the name, license number, and alarm
5 system location of each alarm user who has paid the fee and any other information required
6 by the Tax Collector.

7 (c) The alarm installation company shall maintain its records in such a manner so as to
8 be able to cross-reference the alarm user's name, the alarm system's location, and the license
9 number assigned by the Tax Collector.

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11 **SEC. 3710.2. ADDITIONAL DUTIES OF ALARM MONITORING COMPANY.**

12 (a) An alarm monitoring company shall not service a new customer who does not have
13 a current valid license under this Article, provided that the monitoring company may provide
14 the customer with a license application form and shall accept from the customer the
15 completed form and the applicable license fee on behalf of the Tax Collector, after which the
16 company may service the alarm system.

17 (b) No later than December 1 of each year, and beginning in 2005, no later than November
18 1 of each year, an alarm monitoring company doing business in San Francisco shall notify each
19 of its customers of the license renewal for the following year and shall bill such customers for
20 the license fee required under this Article. Such bill shall be due and payable in not more than
21 30 days. The notification may be part of the company's regular billing or a separate notice,
22 and shall be in a form approved by the Tax Collector. The company shall also provide the
23 customer with a copy of the license renewal form. The alarm monitoring company shall be
24 responsible for collecting the license renewal fee from the customer.

1 (c) No later than last day of each month following the month of collection or receipt, the
2 monitoring company shall remit to the Tax Collector as a single check all license fees collected,
3 completed license applications received, and a list of customers who have not paid the fee.
4 Remittance reports shall be in a format approved by the Tax Collector and shall include the
5 name, license number, and alarm system location of each alarm user who has paid the fee,
6 and any other information required by the Tax Collector.

7 (d) The alarm monitoring company shall maintain its records in such a manner so as to
8 be able to cross-reference the alarm user's name, the alarm system's location, and the license
9 number assigned by the Tax Collector.

10 (e) The billing and remittance provisions of this Section shall only apply to a monitoring
11 company that has a direct contractual relationship with the alarm user. If a monitoring company has
12 no such direct contractual relationship, and instead provides monitoring services pursuant to a
13 subcontract with the alarm installation company or any other person or company, then the installation
14 company or other such person or company shall be responsible for meeting the billing and remittance
15 requirements of this Section. However, the monitoring company shall continue to be responsible for
16 complying with all other applicable provisions of this Article, including, but not limited to, the
17 requirements of Section 3710.

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19 **SEC. 3710.4. LIABILITY FOR FEE.**

20 (a) Any fee required to be paid by an alarm user under the provisions of this Article
21 shall be deemed a debt owed by the alarm user to the City until it has been paid to the City,
22 except that proof of actual payment to an alarm company is sufficient to relieve the alarm user
23 from further liability for the fee.

24 (b) Any fee required to be collected by an alarm company under the provisions of this
25 Article shall be deemed a debt owed to the City and County of San Francisco by the company

1 required to collect and remit such fee, if the alarm company has failed to take reasonable steps to
2 collect the fee. A company will be deemed to have taken reasonable steps if, at a minimum, it bills the
3 alarm user, waits 30 days, timely bills the user a second time, and then timely informs the City of the
4 user's continued nonpayment.

5 (c) Whenever an alarm company remits funds collected as a license or license renewal
6 fee to the City, the alarm company shall also provide the City with the name and address of
7 any customer refusing or failing to pay the fee for a period of one or more billing periods and
8 shall state the amount of such fee remaining unpaid, and such other information as the Tax
9 Collector may require. The Tax Collector may assume responsibility for collection of any fees
10 due and payable for the stated periods and demand payment of such fees, plus administrative
11 costs, interest, and penalties, if any.

12 (d) Any person owing money to the City under the provisions of this Article shall be
13 liable in an action brought in the name of the City and County for the recovery of such
14 amount.

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16 **SEC. 3720. LICENSES.**

17 (a) The alarm license fee (original or annual renewal) for a commercial premises shall
18 be \$60. The alarm license fee (original or annual renewal) for a residential premises shall be
19 \$40. The license shall be pro-rated, on a quarterly basis, for new licenses obtained after
20 February 1.

21 (b) Beginning with fiscal year 2003-2004, the fees set in this Section may be adjusted
22 *each year*, without further action by the Board of Supervisors, to reflect changes in the relevant
23 Consumer Price Index, as determined by the Controller.

24 No later than April 15th of each year, the Tax Collector shall submit the current fee
25 schedule to the Controller, who shall apply the price index adjustment to produce a new fee

1 schedule for the following year; provided, however, that the fees shall only be adjusted in five-dollar
2 increments, when cumulative changes in the Consumer Price Index since the last fee adjustment justify
3 an increase or decrease of at least five dollars.

4 No later than May 15th of each year, the Controller shall file a report with the Board of
5 Supervisors reporting the new fee schedule and certifying that: (a) the fees produce sufficient
6 revenue to support the costs of providing the services for which each fee is assessed, and (b)
7 the fees do not produce revenue which is significantly more than the costs of providing the
8 services for which each fee is assessed.

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APPROVED AS TO FORM:
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