

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**SENATE DRS85196-LL-140 (3/5)**

Short Title: Company Police Modernization. (Public)

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Sponsors: Senators Hagan, and Hoyle.

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO MODERNIZE THE LAWS GOVERNING COMPANY POLICE.

Whereas, private security and law enforcement is one of the fastest growing industries in our State and nation, and that growth has increased since those tragic events of September 11, 2001; and

Whereas, the State of North Carolina authorizes certain law enforcement officers to have the full power of arrest, the same as a municipal or county officer, under statutes administered by the Attorney General's Office and known as the Company Police Act, Chapter 74E of the North Carolina General Statutes; and

Whereas, the Company Police Act was last revised by the General Assembly in 1992, and since that time numerous events have occurred that have had a direct impact on the act; and

Whereas, the Company Police Act at one time included law enforcement agencies on our university, community college, and private college campuses, but during the 2005-2006 Session of the General Assembly, campus company police were removed from Chapter 74E and placed under their own enabling legislation now found in Chapter 74G of the North Carolina General Statutes; and

Whereas, private entities, government agencies, and railroads are now the remaining law enforcement officers commissioned pursuant to Chapter 74E of the North Carolina General Statutes; and

Whereas, company police officers supplement State and local law enforcement throughout North Carolina and provide law enforcement services in those areas where it is more economical for a private entity or a government agency to have its own company police agency or where the resources of local government cannot provide the level of services needed or desired; and

Whereas, nationwide acts of catastrophic violence have occurred in schools, both public and private, including North Carolina; and

1           Whereas, some of the worst acts of violence and major crimes are now  
2 occurring in public places where large numbers of citizens gather, such as shopping  
3 malls and sporting events; and

4           Whereas, nine county school boards have company police agencies protecting  
5 their county schools, and their officers serve as school resource officers; and

6           Whereas, other company police officers provide protection to public schools  
7 in North Carolina on a contract basis; and

8           Whereas, eight county hospitals have company police agencies protecting the  
9 patients, doctors, nurses, administrators, staff, and visitors to county hospitals in our  
10 State; and

11           Whereas, one State government hospital has a company police agency  
12 protecting the patients, doctors, nurses, administrators, staff, and visitors; and

13           Whereas, three State agencies have company police agencies protecting State  
14 government property and the people of the State of North Carolina; the North Carolina  
15 State Fairgrounds, under the Department of Agriculture and Consumer Services; the  
16 North Carolina Museum of Art, under the Department of Cultural Resources; and the  
17 North Carolina Arboretum under The University of North Carolina System; and

18           Whereas, the two largest power companies in North Carolina, Duke Energy  
19 and Progress Energy, have company police officers protecting their nuclear power  
20 plants, their other power generation facilities, their transmission lines, and their other  
21 real and personal property, as well as their employees and the public in North Carolina;  
22 and

23           Whereas, four large golf and residential country clubs in North Carolina have  
24 company police agencies protecting their real and personal property, and the residents  
25 and visitors to their property; and

26           Whereas, the Biltmore Estate, one of the best known tourist attractions in  
27 North Carolina, has company police officers protecting its one million annual visitors  
28 and guests, as well as its real property and the priceless artifacts contained in that  
29 historic tourist site, as well as the hotel, winery, and other facilities found on the  
30 Biltmore Estate; and

31           Whereas, over 30 more commissioned company police agencies and their  
32 certified officers provide security and law enforcement services to shopping centers,  
33 residential areas, corporate buildings, government buildings, gamelands, railroads and  
34 other public transportation, and unincorporated communities, protecting thousands of  
35 North Carolina citizens every day; and

36           Whereas, company police officers receive the same mandated training and the  
37 same mandated in-service training as State, municipal, and county officers, but in  
38 addition are required to undertake a polygraph test and a psychological evaluation prior  
39 to employment, which are criteria not required of all law enforcement officers in our  
40 State; and

41           Whereas, Chapter 74E of the General Statutes of North Carolina, the  
42 Company Police Act, is no longer adequate to serve the interests of the State of North  
43 Carolina and to provide the protection necessary to fulfill the mission of company  
44 police in our State; and

1           Whereas, there are over 58 commissioned company police agencies in North  
2 Carolina and almost 475 certified company police officers serving the State; and

3           Whereas, these company police officers assist and supplement other law  
4 enforcement agencies throughout our State on a daily basis and are a vital part of our  
5 criminal justice system; and

6           Whereas, the General Assembly of North Carolina finds that it is in the best  
7 interest of the State of North Carolina, and in furtherance of the public's health, safety,  
8 and welfare, for it to modernize the laws governing company police such that the  
9 jurisdiction of these officers is expanded and their powers and duties are made to  
10 conform with the needs of a growing State; Now, therefore,  
11 The General Assembly of North Carolina enacts:

12           **SECTION 1.** G.S. 74E-4(1) reads as rewritten:

13 **"§ 74E-4. Powers of Attorney General.**

14           The Attorney General has the following powers in addition to those conferred  
15 elsewhere in this Chapter:

- 16           (1) To establish minimum education, experience, and training standards  
17 and establish and require written or oral examinations for an applicant  
18 for certification as a company police agency, a certified company  
19 police agency, an applicant for commission as a company police  
20 officer, ~~or a commissioned company police officer.~~ officer, or an  
21 applicant for a company police agency head or chief.

22           ...."

23           **SECTION 2.** G.S. 74E-6(c) reads as rewritten:

24           "(c) All Company Police. – Company police officers, while in the performance of  
25 their duties of employment, have the same powers as municipal and county police  
26 officers to make arrests for both felonies and misdemeanors and to charge for  
27 infractions on any of the following:

- 28           (1) Real property owned by or in the possession and control of their  
29 employer.  
30           (2) Real property owned by or in the possession and control of a person  
31 who has contracted with the employer to provide on-site company  
32 police security personnel services for the property.  
33           (3) Any other real property while in continuous and immediate pursuit of a  
34 person for an offense committed upon property described in  
35 subdivisions (1) or (2) of this subsection.

36 Company police officers shall have, if duly authorized by the superior officer in charge,  
37 the authority to carry concealed weapons pursuant to and in conformity with  
38 G.S. 14-269(b)(4) and (5).

39           In the event of a State-declared emergency such as a natural disaster, terrorist attack,  
40 civil disorder, or similar exigent circumstance, the Governor may request, and the  
41 Attorney General may grant, temporary extraterritorial jurisdiction to company police  
42 officers the powers contained in this section upon roads and highways and upon any  
43 other State-owned or controlled property for the purpose of, and to the extent necessary,  
44 for company police officers to assist State and local authorities to maintain law and

1 order during such a State-declared emergency. During the period of the State-declared  
2 emergency, company police officers who have been granted temporary extraterritorial  
3 jurisdiction pursuant to this subsection shall be under the management and control of  
4 the Secretary of Crime Control and Public Safety or the Secretary's designee. Company  
5 police officers who render services to the State under this subsection shall be  
6 compensated in accordance with G.S. 160A-288.1."

7 **SECTION 3.** G.S. 74E-6 is amended by adding two new subsections to read:

8 "(c1) Company Police Officers Employed by Government Agencies or Institutions.  
9 – Company Police officers employed by governmental agencies or institutions have the  
10 powers contained in subsection (c) of this section and also have the powers in that  
11 subsection upon that portion of any public road or highway passing through or  
12 immediately adjoining the property described in that subsection wherever located within  
13 the State.

14 "(c2) Company Police Officers Employed by Nongovernmental Agencies and  
15 Institutions. – Company police officers employed by nongovernmental agencies or  
16 institutions have the powers contained in subsection (c) of this section and also have the  
17 powers to direct, control, and regulate the movement of traffic, both pedestrian and  
18 vehicular, upon that portion of any public road or highway passing through or  
19 immediately adjoining the property described in that subsection. The authority granted  
20 to nongovernmental company police officers to direct, control, and regulate traffic  
21 under this subsection is for the purpose of, and to the extent necessary, to protect life or  
22 property at the scene of, or in connection with, any accident, fire, medical emergency,  
23 road hazard, natural disaster, civil disturbance, crime scene, terrorist act, or special  
24 event.

25 The authority granted under this subsection does not include the power to make  
26 arrests or charge for infractions upon public roads or highways beyond the limitations  
27 set forth under subdivision (3) of subsection (c) of this section. However, the  
28 department head or chief of a nongovernmental company agency may make application  
29 to the sheriff of the county requesting limited extraterritorial jurisdiction to make arrests  
30 and charge for infractions upon that portion of any public road or highway passing  
31 through or immediately adjoining the requesting company police agency's jurisdiction  
32 as described in subdivisions (1) and (2) of subsection (c) of this section. The sheriff of  
33 the county shall have 10 days in which to evaluate the request, and then shall forward  
34 the application to the Attorney General with a recommendation. The Attorney General  
35 shall have 30 days in which to review the application and determine whether granting  
36 the request shall serve the public safety interests of the locale. If approved, the  
37 authorization shall be in writing and specify the street names and geographic location of  
38 that portion of the public roads or highways upon which the requesting company police  
39 agency's sworn law enforcement officers have been granted limited extraterritorial  
40 jurisdiction to exercise the powers contained in subsection (c) of this section upon the  
41 specified streets or highways. A copy of the written authorization must be filed  
42 immediately by the agency's department head or chief with the clerk of superior court  
43 within the company police agency's jurisdiction.

1        The authority granted under this subsection may be suspended or revoked by the  
 2 Attorney General upon the request of the sheriff of the county for cause, or pursuant to  
 3 and in conformity with G.S. 74E-10."

4                **SECTION 4.** G.S. 74E-6(g) reads as rewritten:

5        "(g) Exclusive Authority. —~~Notwithstanding any~~ Unless specifically set forth in  
 6 some other provision of law, the authority granted to company police officers shall be  
 7 limited to the provisions of this Chapter."

8                **SECTION 5.** G.S. 74E-12 reads as rewritten:

9        "**§ 74E-12. Fees.**

10        The Attorney General may charge fees for the items listed in the following table, not  
 11 to exceed the amounts listed in the table:

<u>Item</u>	<u>Maximum Fee</u>
12 Application for certification as	\$250 <u>\$750</u>
13        a company police agency	
14 Annual renewal of certification	\$200 <u>\$500</u>
15        as a company police agency	
16 Application for reinstatement of	\$1,000
17        certification as a company	
18        police agency	
19 Application for commission as a	\$100 <u>\$300</u>
20        company police officer	
21 Annual renewal of commission as	\$50 <u>\$200</u>
22        a company police officer	
23 Application for reinstatement of	\$150
24        commission as a company police	
25        officer	

26        The fees imposed under this section are not refundable. Fees collected under this  
 27 section shall be applied to the cost of administering this ~~Chapter.~~ Chapter, including the  
 28 employment of a full-time administrator, one or more full-time investigators or field  
 29 representatives, and a part-time attorney, and for no other purposes."

30                **SECTION 6.** G.S. 20-114.1(c) reads as rewritten:

31        "(c) The chief of police of a local or county police department or a company  
 32 police agency certified pursuant to Chapter 74E of the General Statutes or the sheriff of  
 33 any county is authorized to appoint traffic-control officers, who shall have attained the  
 34 age of 18 years and who are hereby authorized to direct, control, or regulate traffic  
 35 within their respective jurisdictions at times and places specifically designated in  
 36 writing by the police chief or the sheriff. A traffic-control officer, when exercising this  
 37 authority, must be attired in a distinguishing uniform or jacket indicating that he is a  
 38 traffic-control officer and must possess a valid authorization card issued by the police  
 39 chief or sheriff who appointed him. Unless an earlier expiration date is specified, an  
 40 authorization card shall expire two years from the date of its issuance. In order to be  
 41 appointed as a traffic-control officer, a person shall have received at least three hours of  
 42 training in directing, controlling, or regulating traffic under the supervision of a  
 43 law-enforcement officer. A traffic-control officer shall be subject to the rules and  
 44

1 regulations of the respective local or county police department or a company police  
2 agency certified pursuant to Chapter 74E of the General Statutes or sheriff's office as  
3 well as the lawful command of any other law-enforcement officer. The appointing  
4 police chief or sheriff shall have the right to revoke the appointment of any  
5 traffic-control officer at any time with or without cause. The appointing police chief or  
6 sheriff shall not be held liable for any act or omission of a traffic-control officer. A  
7 traffic-control officer shall not be deemed to be an agent or employee of the respective  
8 local or county police department or of the sheriff's office, nor shall he be considered a  
9 law-enforcement officer except as provided herein. A traffic-control officer shall not  
10 have nor shall he exercise the power of arrest."

11 **SECTION 7.** G.S. 20-130.1(c) reads as rewritten:

12 "(c) It is unlawful for any person to possess a blue light or to install, activate, or  
13 operate a blue light in or on any vehicle in this State, except for a publicly owned  
14 vehicle used for law enforcement ~~purposes~~ purposes, a vehicle owned or operated by a  
15 company police agency, or any other vehicle when used by law enforcement officers in  
16 the performance of their official duties. As used in this subsection, unless the context  
17 requires otherwise, "blue light" means any forward facing blue light installed on a  
18 vehicle after initial manufacture of the vehicle; or an operable blue light which:

- 19 (1) Is not (i) being installed on, held in inventory for the purpose of being  
20 installed on, or held in inventory for the purpose of sale for installation  
21 on a vehicle on which it may be lawfully operated or (ii) installed on a  
22 vehicle which is used solely for the purpose of demonstrating the blue  
23 light for sale to law enforcement personnel;
- 24 (1a) Is designed for use by an emergency vehicle, or is similar in  
25 appearance to a blue light designed for use by an emergency vehicle;  
26 and
- 27 (2) Can be operated by use of the vehicle's battery, the vehicle's electrical  
28 system, or a dry cell battery."

29 **SECTION 8.** G.S. 15A-402(c) reads as rewritten:

30 "(c) ~~City Officers, Officers and Commissioned Police Officers, Outside Territory.~~  
31 – Law-enforcement officers of cities may arrest persons at any point which is one mile  
32 or less from the nearest point in the boundary of such city. Law enforcement officers of  
33 cities and officers of a certified company police agency may transport a person in  
34 custody to or from any place within the State for the purpose of that person attending  
35 criminal court proceedings. While engaged in the transportation of persons for the  
36 purpose of attending criminal court proceedings, law enforcement officers of cities and  
37 officers of a certified company police agency may arrest persons at any place within the  
38 State for offenses occurring in connection with and incident to the transportation of  
39 persons in custody."

40 **SECTION 9.** G.S. 15A-402 is amended by adding a new section to read:

41 "(g) Company Police Officers, Immediate and Continuous Flight. – A company  
42 police officer commissioned by the Attorney General pursuant to Chapter 74E of the  
43 General Statutes and employed by a certified company police agency may arrest a  
44 person outside the officer's territorial jurisdiction when the person arrested has

1 committed a criminal offense or infraction within the territorial jurisdiction, for which  
2 the officer could have arrested the person within that jurisdiction, and the arrest is made  
3 during the person's immediate and continuous flight from that territory."

4 **SECTION 10.** G.S. 20-114 is amended by adding a new subsection to read:

5 "(e) Commissioned company police officers appointed by the Attorney General  
6 pursuant to Chapter 74E of the General Statutes may direct, control, and regulate the  
7 movement of both pedestrian and vehicular traffic on that portion of any public road or  
8 highway running through the jurisdiction of their employing agency. The authority of  
9 company police officers to direct, control, and regulate traffic on public roads is for the  
10 purpose of and to the extent necessary to protect lives or property at the scene of or in  
11 connection with any accident, fire, medical emergency, road hazard, natural disaster,  
12 civil disturbance, terrorist act, crime scene, or special events or circumstances that  
13 would serve the interest of State or local law enforcement, emergency medical services,  
14 or emergency disaster services."

15 **SECTION 11.** G.S. 74C-12(c) reads as rewritten:

16 "(c) The following persons may not be issued a license, registration, or permit  
17 under this Chapter:

- 18 (1) A sworn court official.
- 19 (2) A holder of a company police commission under Chapter 74E of the  
20 General Statutes. However, the board may approve the designated  
21 head or chief of a certified company agency engaged in the provision  
22 of contract security police services as the qualifying agent and licensee  
23 of a security guard and patrol business."

24 **SECTION 12.** G.S. 74C-21(a) reads as rewritten:

25 "(a) No law enforcement officer of the United States, this State, any other state, or  
26 any political subdivision of a state shall be licensed as a private detective or security  
27 guard and patrol licensee under this ~~Chapter~~. Chapter, except that an agency head or  
28 chief of a company police agency certified pursuant to Chapter 74E of the General  
29 Statutes may be approved as a qualifying agent and licensed as a security guard and  
30 patrol business."

31 **SECTION 13.** G.S. 90-95.2(b)(2) reads as rewritten:

32 "(2) "Law-enforcement agency" means any State or local agency, force,  
33 department, or ~~unit~~ unit, or company police agency certified by the  
34 Attorney General pursuant to Chapter 74E of the General Statutes,  
35 responsible for enforcing criminal laws in this State, including any  
36 local police department or sheriff's department."

37 **SECTION 14.** G.S. 122C-3(19) reads as rewritten:

38 "(19) "Law-enforcement officer" means sheriff, deputy sheriff, police  
39 officer, State highway patrolman, commissioned company police  
40 officer, or an officer employed by a city or county under  
41 G.S. 122C-302."

42 **SECTION 15.** G.S. 160A-288.2(d) reads as rewritten:

43 "(d) For the purposes of this section, the following shall be considered the  
44 equivalent of a municipal police department:

- 1           (1)    Campus law-enforcement agencies established pursuant to  
2                    G.S. 116-40.5(a), and G.S. 116-40.5(a).  
3           (2)    Colleges or universities which are licensed, or exempted from  
4                    licensure, by G.S. 116-15 and which employ company police officers  
5                    commissioned by the Attorney General pursuant to Chapter 74E or  
6                    Chapter 74G of the General Statutes.  
7           (3)    Butner Public Safety.  
8           (4)    Company police agencies certified by the Attorney General pursuant to  
9                    Chapter 74E of the General Statutes."

10           **SECTION 16.** This act becomes effective July 1, 2007.