# BEFORE THE ALARM SYSTEM CONTRACTORS BOARD, AND DIVISION OF REGULATORY BOARDS, TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE AT NASHVILLE, TENNESSEE

In Re: Adam Jackson, d/b/a Edge AI, Petitioner.	)	Docket No. 12.34-150695A	SECRETARY	2018 SEP 19	TE OF
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THIS CAUSE came to be heard on August 23, 2018 upon the Petition for Declaratory Order filed in this matter by the Petitioner, Adam Jackson d/b/a Edge AI on December 21, 2017. Present at the hearing were Board members Vivian L. Hixson (Chairperson), Lou Richard, John Keith Harvey, Doug Fraker, and William Scott Cockroft. The Honorable Jerome Cochran, Administrative Judge, presided at the hearing. The State of Tennessee was represented by Stuart Huffman, Assistant General Counsel for the Tennessee Regulatory Boards, Department of Commerce and Insurance. The Petitioner, Adam Jackson d/b/a Edge AI, appeared and was represented by Braden Boucek, Attorney for the Beacon Center for Tennessee.

Upon consideration of the testimony of witnesses, exhibits filed in this matter, and upon the entire record, the Board is of the opinion the Petitioner has met his burden of proof and finds as follows:

#### FINDINGS OF FACT

1. Adam Jackson, Petitioner, through his company, Edge AI, has developed a software program that provides facial recognition services;

- 2. The software, utilizing facial recognition technology, will analyze a person's facial features through an existing closed circuit television camera ("CCTV") and compare the person's features to a database within a computer;
- 3. If the person's facial features match, the computer will inform a designated administrator user through text or an email;
  - 4. The administrator then decides whether or how best to manage the situation;
  - 5. The product does not involve any mechanical or electrical wiring for installation;
  - 6. Petitioner would not install cameras when installing the product;
- 7. Petitioner may recommend the installation and location of cameras so as to make his product function more effectively;
  - 8. The product works through existing CCTV;
  - 9. Petitioner may recommend a licensed CCTV installer;
- 10. In his Petition, Petitioner stated the Act was unconstitutional, both facially and as applied to him, and requested the Board to make such a determination.

#### **CONCLUSIONS OF LAW**

After full review and consideration of the facts and the evidence presented, this Board finds no violation of, and that, Tenn. Code Ann §62-32-303, does not apply to Petitioner or Petitioner's product, which states:

As used in this part, unless the context otherwise requires:

- (1) "Alarm system" means any mechanical, electrical or electronic system, or any combination of those systems, designed to:
  - (A) Record, view, monitor, protect against, avoid or reduce the probability of personal or property loss or injury resulting from fire, smoke, heat, burglary, theft, shoplifting, pilferage or other losses of that type;
  - (B) Monitor, detect or prevent intrusion; or
  - (C) Detect and summon aid for other emergencies;
- (2) "Alarm systems contractor" means any person, firm, association or corporation that sells or attempts to sell, installs, services or monitors alarm systems,

signal devices, fire alarms, burglar alarms, television cameras or still cameras used to detect fire, burglary, breaking or entering, intrusion, shoplifting, pilferage or theft;

- (3) "Alarm verification" means an attempt by a monitoring company or its representative to contact a burglar alarm location or a burglar alarm user by telephone or other electronic means to determine whether a burglar alarm signal is valid in an attempt to avoid unnecessary police response before requesting law enforcement to be dispatched to the location. Alarm verification further means that at least a second call shall be made to a different number if the first attempt fails to reach an alarm user;
- (4) "Board" means the state board for licensing alarm systems contractors created by § 62-32-306;
- (5) "Burglar alarm system" means an alarm or monitoring system that has the primary function of detecting or responding to emergencies other than fire;
- (6) "Business entity" means each location from which alarm systems are sold, installed or serviced:
- (7) "Certification" means the authority granted by the board to do business as an alarm systems contractor:
- (8) "Fire alarm system" means an alarm or monitoring system that is intended to respond to or detect fire, heat, smoke or other byproducts of combustion;
  - (9)
- (A) "Good moral character" means an individual with high legal, moral and ethical values;
  - **(B)**
  - (i) The following shall be prima facie evidence that an individual does not have good moral character:
    - (a) Conviction by any local, state, federal or military court of any crime involving the illegal use, possession, sale, manufacture, distribution or transportation of a controlled substance, controlled substance analogue, drug or narcotic;
    - (b) Conviction of a crime involving felonious assault;
    - (c) Conviction of a crime involving unlawful breaking or entering, burglary, larceny or arson;
    - (d) Conviction as an habitual criminal; or
    - (e) An addiction to alcohol or a narcotic drug;
  - (ii) For purposes of subdivision (9)(B)(i), "conviction" means and includes the entry of a plea of guilty, plea of no contest or a verdict rendered in open court by a judge or jury;
- (10) "Installation" means the installation, maintenance, service and repair of alarm systems;
- (11) "Monitoring" means any off-site central monitoring station or location that receives electronic burglar alarm, closed circuit television or fire alarm signals from multiple locations and notifies or dispatches, or both, other persons to emergency burglaries, hold ups, thefts, vandalism, civil unrest, personal emergencies or fire alarm conditions; and
- (12) "Qualifying agent" means any individual licensed by the board whose qualifications have been demonstrated to the board for overseeing and supervising alarm systems contractor operations of any classification or combination of classifications.

#### **ORDER**

WHERFORE, it is hereby ORDERED, ADJUDGED AND DECREED that the Petitioner's software program does not meet the definition of an alarm system which is defined under Tenn. Code Ann. §62-32-303(1).

IT IS FURTHER ORDERED that that Adam Jackson, individually, does not meet the definition of an alarm systems contractor which is defined under Tenn. Code Ann. §62-32-303(2).

IT IS FURTHER ORDERED that the Board does not have the authority to consider or determine issues regarding the facial or as-applied constitutionality of the Act.

### **POLICY REASON FOR DECISION**

The Tennessee Alarm Systems Contractors Board is charged with enforcement of Tenn. Code. Ann. §62-32-301, et seq, which provides for uniform procedures and qualifications throughout the state for certifying, licensing and regulation of alarm systems contractors. The present matter falls under this responsibility and the determination of this Board is reflective of this responsibility.

## **REVIEW OF FINAL ORDER**

Within fifteen (15) days after the effective date of the Final Order, any party may petition the Tennessee Alarm Systems Contractors Board for reconsideration of the Final Order. If no action is taken within twenty (20) days of the filing of the petition, it is deemed denied.

Any party may petition the Board for a stay of the Final Order within seven (7) days after the effective date of the Final Order.

Any party may seek judicial review of the Final Order by filing a petition for review in Chancery Court having jurisdiction within sixty (60) days after the effective date of the Final

Order. A petition for reconsideration does not act to extend this sixty (60) day period; however, if the petition is granted, then this sixty (60) day period commences from the effective date of the Final Order disposing of the petition.

Any petition relative to a review of the Final Order or petition to stay the judgment of a Final Order is to be filed with the Administrative Procedures Division, Office of the Secretary of State, and the Tennessee Alarm Systems Contractors Board.

ADOPTED AND APPROVED by the	e majority of the Board, a quorum being present
this the <u>I</u> day of <u>Jeplember</u>	, 2018.
,	Vivian L. Hixson, Chairperson Alarm System Contractors Board
ENTERED this day of	, 2018.
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SEP 13 2018  DEPT OF COMMERCE AND INSURANCE REGULATORY BOARDS LEGAL DIVISION	Jerome Cochran Administrative Judge Administrative Procedures Division Office of the Secretary of State
REGULATORY BOARDS LEGAL DIVISION	Office of the Secretary of State

APPROVED FOR ENTRY:

Stdart Huffman, BPR #026383

Assistant General Counsel, Regulatory Boards
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615-741-3072

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Filed in the Admin	istrative Procedures Division, Office	ce of the Secretary of State, this th

#### CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing has been sent via U.S. Mail, postage prepaid, and/or sent via email to the following on this the 19 day of September, 2018 to the following:

Swart Huffman by M

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