

**THE BILL BLACKWOOD  
LAW ENFORCEMENT MANAGEMENT INSTITUTE OF TEXAS**

Assessing The Need For A Policy  
On Residential Insurance Reduction  
Inspections Of Alarm Systems

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## **ABSTRACT**

In the United States the residential burglary rate has been dropping. In 1983, the U.S.A. burglary rates per 100,000 residents was 1,338 per month. In 1993, that rate per 100,000 was 1,099 per month as reported by the U.S. Bureau of the Census ( Statistical Abstract ). Members of police crime prevention units across the state feel that this is due, in part, to better community awareness and more sophisticated burglary prevention and detection equipment now on the market. More property owners and homeowners are installing burglar alarm systems. Homeowners are taking advantage of the State of Texas Department of Insurance's Reduction in Homeowners Insurance Premiums inspections where, if they qualify, they can get from ten to fifteen percent off the cost of their yearly insurance premiums.

The problem however for some of these homeowners is that in 1991, the State of Texas legislature amended Article 5.33 of the Texas Insurance Code. This amendment added the inspection of Residential Alarm Systems to the Reduction In Homeowners Insurance Premium inspections of Section 6 (a) (Insurance Code 77). But the state legislature failed to include any guidelines explaining or defining several very important points of inspection. This research will explore the need for implementing a policy within the Village Police Department, Crime Prevention Unit that will direct officers of the Crime Prevention Unit in homeowners insurance reduction inspections of alarm systems. The research will be made through review of relevant literature, practice of other police departments, and the legal restrictions placed on insurance reduction inspections by the Texas legislature.

Based on the research, there is ample evidence for the need to implement a policy for the officers of the Village Police Department, Crime Prevention Unit. Research shows that a policy will provide the inspectors with a stronger stance on passing or not passing residential alarm systems.

## Introduction

The purpose of this research is to demonstrate the need for a policy for inspectors of the Village Police Department, Crime Prevention Unit. When the State of Texas Legislature passed the Amendment to Article 5.33 of the The Texas Insurance Code in House Bill 384. The legislature failed to define exterior openings and contacts. They also required that all equipment be U.L. approved and the monitoring central station be U.L. approved.

As inspectors we have found that a very large majority of the homes that we inspect do not have all of the exterior openings contacted, they instead have them covered by either motion detectors or glass breakage detectors. We have also found a large majority of these homes, along with other homes that have all their openings contacted, but do not have all of their equipment U.L. approved. These homes do not pass the inspections but are still just as secure as the homes that have passed. The legislature's failure to define exterior openings has created a great deal of confusion between inspectors themselves and between homeowners and inspectors.

The arguments that surround the confusion generally deal with fixed windows and fixed sky lights. Under the legislation as it is written, any and all exterior structure openings must be contacted. However, most homeowners will argue that these are in fact not openings since they will not open by hand. Secondly the legislature did not define the word "contacted". The confusion here deals with whether or not motion detectors and glass breakage detectors are able to effectively protect exterior structure openings. It is the homeowner 's and alarm companies belief that they will cover or protect those openings they are directed at, however these do not comply with the true definition of a contact.

The purpose of this research is to show the need for a policy that provides the inspectors workable definitions and guidelines that will allow them more latitude to pass alarm systems. My research has found that police departments across the state of Texas are refusing to preform these inspections because of the way the legislation was written. Such a policy will benefit the homeowners in the jurisdiction of the Village Police Department. It will allow more of the homes to pass the inspections and qualify the homeowners for an insurance premium reduction.

### **Historical And Legal Context**

The Texas Legislature enacted the Reduction In Homeowners Insurance Premiums Act in the Texas Insurance Code, Article 5.33A, Section 6 (a)(1), in 1974. This required certified peace officers that were either ordered to do these inspections or volunteered to be State Insurance Reduction Inspectors, later called Crime Prevention Specialists to complete an 80 or 40 hour certification course, with the state requiring a minimum of 20 hours (Insurance Code 77). Since the start we have only been inspecting private residences for deadbolt locks on solid core doors and double key deadbolts on doors with glass with in 40 inches, secondary locking devices to prevent lifting and prying of windows and sliding glass doors, and key operated locking devices on garage doors. These inspections entitled homeowners a 5% reduction in their homeowners insurance premiums.

However in 1991, the Texas Legislator amended Article 5.33A and added the inspection of residential alarm systems ( Insurance Code 194 ). This was added as Section 6 (a)(2), of the Texas Insurance Code. This code was enacted in House Bill 384 and reads as follows. (a) a person's property qualifies for a homeowners insurance premium reduction if the property: (1) meets the above listed minimum

specifications: or (2) is equipped with an electronic burglar alarm that meets the following requirements: (A) all exterior structure openings are contacted: (B) the system includes an interior and exterior siren: (C) all equipment is U.L. approved and is monitored by a U.L. approved central station; and (D) sales, service, installation, and monitoring of system are done in compliance with the Private Investigators and Private Security Agencies Act ( Article 4413 (29bb), Vernon's Texas Civil Statutes)(2).

The Texas Legislature added a Section 2. to this Act which allowed its passage with out debate. This Section 2 reads, The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted (3).

Key issues in this code are the use of a hard "contact" and the homeowners use of "Glass Breakage sensors" or " Motion Detector sensors". As stated by Charles D. Rakes in Alarms, 55 Electronic Projects and Circuits, ( Alarms 37), hard contact is either a magnetic sensor attached to the frame of a window or door that has a metal strip which is attached to the window or door itself, that when the window or door is opened creates an open circuit in turn sending an electronic signal to a control board sounding an alarm. Glass breakage sensors are a sensitivity adjustable microphone, which is designed to detect the sound pitch of breaking glass. They can cover an area approximately 10 to 35 feet away from the sensor and send a signal to a control board. A motion sensor is a small device that transmits and receives a microwave radio signal much like a Doppler radar works.

When the microwave signal is transmitted it has a calculated length between the pulse waves. These waves are set by the circuitry in the device where they are checked by the receive side of the device every few seconds. When anything within the beam of the device changes the length of these waves it is interpreted by the motion sensor device as an intrusion into the area of the beam and again a signal is sent to the control board and an alarm is sounded. The range of the motion sensor is limited to approximately 45 feet away from it in one direction only (4). The use of these sensors over hard contacts is usually preferable to homeowners because of cost of installation, sensors being a lower cost item but still provides ample coverage of windows and doors (Protect Yourself 37 ).

## **Review of Literature or Practice**

Upon reviewing and conducting research for this policy project I have found that there are few publications available for this topic. The majority of my studies will come from legislative articles and personal observations of standard practices. There have been no published independent research studies conducted on the "Texas Insurance Code , Reduction In Homeowners Insurance Premiums" legislation ( Case Studies in Crime Prevention 14 ) .

The practices and policies of other police departments in the state of Texas have been limited. I found through my contacting of larger Texas police departments and departments in the local area of the Village Police Department, many either would not returned my telephone calls or did not have an active Crime Prevention Unit , The departments that I was able to contact,

included the Waco Police Department, Baytown Police Department, Katy Police Department, El Paso Police Department, El Paso County Sheriff's Department, Dallas Police Department and Houston Police Department, Only two departments other than the Village Police Department, those being the City of Katy police department and the City of Houston police department, have officers in their Crime Prevention Units to conduct insurance reduction inspections on residential alarm systems. This in and of its self has shown a real need for inspection policies because all of the Texas police and county agencies that refuse to inspect alarms have found the legislation on alarm inspections to be faulty. All of these departments have no written orders commanding their officers not to inspect alarms, I was advised they are only by verbal order from the Chief of Police or Sheriff.

I interviewed Assistant Chief of Police for the Katy Police department William L. Johnson. He stated that his department does not have a written policy on the inspections of residential alarm systems, but rather they allow their officers of the Crime Prevention Unit to inspect residential alarms using the officers own discretion to interpretation of the legislation.

Officer C. P. Williamson of the Village Police Department was previously employed by the City of Houston Police Department and assigned to the West side Command Station , Crime Prevention Unit before coming to work for the Village Police Department. He revealed that the City of Houston Police Department also had no such written policy controlling the inspection of residential alarm systems. Officer Williamson stated they could only follow the letter of the law as it was written in the Insurance Reduction Legislation. This was their instructions by verbal order from their Unit Commander.



In comparison all of the police departments, those allowing the alarm inspections & those not, have been left to their own interpretations of the legislation. The Commander of the Village Police Department, Crime Prevent Unit , has contacted an unknown administrator at the Texas Department of Insurance, in Austin Texas and they stated that they would allow two other forms of coverage on exterior openings in the Inspection reports. Those are the glass breakage and motion detectors (Department of Insurance, Property Division). This instruction has allowed the Village Police Department to conduct inspections of alarm systems. However, as compared to the Katy Police Department , the Village Police Department has used the verbal guidelines of the Department of Insurance as opposed to allowing officer interpretation of the legislation.

The Texas Department of Insurance instructions have only given Crime Prevention Unit Inspectors of the Village Police Department an unwritten guideline to follow, but do not comply with the letter of the law. This allows for the possibility of a lawsuit against the inspector and the police department should a homeowner become the victim of a residential break in where the lack of a contact on an exterior opening to the residence was the point of entry for the suspect. The City of Houston has addressed this issue by sticking to the letter of the law as it was written in the Insurance Reduction Code. In doing so they have protected themselves from any such lawsuit. However very few residences can pass the inspection. Which restricts the number of Houston homeowners that can take advantage of the reduction in insurance premiums.

## **Discussion of Relevant Issues**

The key issues of this research is the State of Texas Legislatures lack of defining what exterior structure openings are and not setting out strict guidelines for Crime Prevention Unit Inspectors to follow when inspecting residential alarm systems for Homeowner Insurance Premium Reduction Certificates. Although, as of this time no property loss or personal injury lawsuits have been ruled upon or filed anywhere in the State of Texas as relating to the passing of unqualified residential alarm systems. The lack of guidelines and definitions have prompted the majority police departments in Texas , not wanting to accept the legal responsibility of passing unqualified residential alarm systems, to refuse to inspect residential alarms. One of the major drawbacks to performing inspections has been that some inspectors will allow different pieces of equipment to pass while other inspectors have refused to allow some of those very same types of equipment to pass. This becomes a problem when an inspector has advised a homeowner that they need to install a particular type of equipment and later when the homeowner calls back for a second or third inspection to be performed, and a different inspector is assigned. This second or third inspector then finds that some equipment that was previously passed does not in fact pass. When this happens it causes conflict with the homeowner and puts the last inspector in a position of passing an unqualified residence.

In a time were community relations is a very important issue with police departments and the public (Safe at Home 5), the Insurance Premium Reduction inspections are a very strong tool to help build and strengthen good relations with a public that is searching for help in their battle against property crimes.

Sense the area of jurisdiction for the Village Police Department is a very influential and high income area, the cost benefits of having passed the inspection can be substantial for the homeowner.

## **Conclusion / Recommendations**

As the public becomes more and more concerned with growing crime rates, we have one more tool in our battle that appears to be making a substantial impact on reducing those rates. The Reduction In Homeowners Insurance Premiums Inspections have not only made an impact on the number of alarm systems now being used and installed, they have also made an impressive impact on building good strong community relations with the public, that we are sworn to protect. This research is to help show a growing need for policy that will allow officers in the Village Police Department Crime Prevention Unit, to perform Reduction In Homeowners Insurance Premiums Inspections in a more uniform and professional manner. The problem has been maintaining a uniform standard for allowable alarm equipment that stays within the legal standards set by a legislation that had very little research preformed prior to it's passage. This legislation was passed with no explanations of definitions to its contents, forcing Crime Prevention Inspectors to maintain non-uniform standards, as to defining what a "structure opening" is and what a "contact" is. I recommend that a Departmental Guideline Policy to the Reduction In Homeowner Insurance Premiums Inspection provide that all exterior doors shall be protected by magnetic contacts including overhead doors of attached garage. All exterior windows shall be protected by magnetic contacts, alarm

screens, alarm pressure mats, motion detectors, or glass breakage detectors. These recommendations shall give inspectors a more uniform standard to use, allowing more homeowners to pass the inspection without being required to make major changes to their present alarm systems. In turn we will have maintained a strong ally in the battle against property crime and improved community relations.

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