Approved: 2-10-98

Date

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Senator Lana Oleen at 11:07 a.m. on February 5, 1998, in Room 254-E of the Capitol.

All members were present.

Committee staff present: Mary Galligan, Legislative Research Department

Robin Kempf, Legislative Research Department Theresa Kiernan, Office of the Revisor of Statutes

Midge Donohue, Committee Secretary

Conferees appearing before the committee:

Ms. Camille Nohe, Assistant Attorney General

Ms. Caroline Adams, Actions Investigations Chartered, Kansas City

Mr. LeGrotte, Metro Investigations, Leawood

Mr. Jim Ferguson, Metro Investigations, Leawood

Mr. Dan Boyd, Nationwide Investigative Services, Wichita

Mr. William A. Sanders, President, Kansas Association of Private Investigators, Overland Park

Mr. John W. Ellis, Secretary, Kansas Association of Private Investigators,

Overland Park

Mr. Mike Galbreath, Vice-President, Kansas Association of Private Investigators, Overland Park

Others attending:

See attached list.

Senator Oleen noted that there were a number of conferees, mostly from out-of-town, both proponents and opponents, who were scheduled to appear before the committee today and advised that the briefing on **SB** 322, relating to licensure and regulation of private detectives and private detective agencies, would be deferred until all conferees had an opportunity to speak. She said, as has been the custom, time would be divided equally between both sides.

Attention was directed to a similar bill, **HB 2487**, relating to licensure and regulation of private detectives and private detective agencies, which was heard earlier this week before the House Federal and State Affairs Committee. Senator Oleen listed material that had been received since the two bills were filed and told committee members it would be made available upon request.

Senator Oleen advised that the proponents would be heard first, and opened the hearing on:

SB 322 An act concerning licensure and regulation of private detectives and private detective agencies

Ms. Camille Nohe, Assistant Attorney General, spoke in support of **SB 322** in behalf of Attorney General Carla Stovall, (Attachment #1). Ms. Nohe told the committee the bill represents a collaborative review of the Private Detective Licensing Act by representatives of licensed private detectives and personnel from the Attorney General's office. She said the purpose of the review was to address numerous problematic statutory provisions which **SB 322** does with substantive, procedural and technical amendments to the licensing laws.

Ms. Nohe talked about areas of particular significance from the administrative perspective of the Attorney General and which are enumerated in the written testimony she presented.

She discussed two technical amendments requested by the Attorney General: one dealing with requirements for certification as a firearms instructor, and the second concerning the biennial renewal fee.

CONTINUATION SHEET

MINUTES OF THE SENATE FEDERAL & STATE AFFAIRS COMMITTEE, Room 254-E, Statehouse, at 11:07 a.m. on February 5, 1998.

Ms. Nohe explained the responsibility of the Office of the Attorney General in administering and enforcing the Private Detective Licensing Act and said the changes contained in **SB 322** will enable the Attorney General to carry out her statutory responsibility in a manner fiscally responsible and consistent with good public policy. In behalf of the Attorney General, Ms. Nohe requested favorable consideration of the proposed amendments.

Ms. Caroline Adams, owner of Action Investigations Chartered in Wyandotte County, spoke in support of SB 322 (Attachment #2). She told the committee the bill was the most fair and comprehensive legislation of any of the proposed bills. Ms. Adams stated that, although she did not believe it is a perfect bill, it had the widest support because its content was discussed and voted on by the membership of one of the investigative groups. She said the bill is fair, just and equitable, and she asked the committee to give it favorable consideration.

Mr. Joe LeGrotte, owner and operator of Metro Investigations, Leawood, a proponent of **SB 322** (Attachment #3), told the committee he and several colleagues, at the invitation of the Attorney General, met in 1996 to discuss needed changes to the Private Detective Licensing Act. Since that meeting, he said a lot of hours have been spent in developing the bill, which includes changes requested by the Attorney General as well as several changes requested by a number of private detectives across the state. Additionally, he advised that the Attorney General and the Kansas Bureau of Investigation endorse the bill in the form before the committee today, and he believes it is fair to the detectives that will be licensed under the act. Mr. LeGrotte urged strong support of the measure.

Mr. Jim Ferguson, a private detective with Metro Investigations, Leawood, spoke in support of **SB 322** (Attachment #4). He told of his background in police work and as a detective and asked for favorable consideration of **SB 322**.

Mr. Dan Boyd, Nationwide Investigative Services, Wichita, spoke in opposition to **SB 322**, saying he could not support the bill in its present form, that it is antiquated and unconstitutional, (Attachment #5). He stated his group is opposed to the provision allowing access of records, explaining that they feel their records fall under the attorney/client privilege. He indicated he did not have a problem with an increased renewal fee, but he did not feel the amount of increase called for in the bill was justified.

Mr. William A. Sanders, President of the Kansas Association of Private Investigators (KAPI) and owner of SPI & Associates based in Paola, an opponent of the bill, (Attachment #6), provided background information on the KAPI and told the committee about a state-wide effort the past five years by private detectives operating in the state to amend the existing Private Detective Licensing Act. He discussed the four issues on which agreement could not be reached by compromise, saying that these issues are important to KAPI. He stated that, although it is clear the existing Private Detective Licensing Act needs to be amended, his organization does not believe that SB 322 addresses enough of the necessary changes to warrant approval without inclusion of HB 2487. Mr. Sanders encouraged the committee to consider the values of both bills and asked that a joint legislative committee be appointed to determine the fate of the four issues.

Mr. John W. Ellis, Secretary of the Kansas Association of Private Investigators, Overland Park, spoke in opposition to SB 322. He presented the committee a packet of information, (Attachment #7), which included a historical overview of private detective licensing and current problems in the private detective industry and explained KAPI's opposition to the bill. In discussing the differences between HB 2487 and SB 322, Mr. Ellis voiced concern over records access, absence of the option for plain clothes investigators to carry either a shotgun or pistol caliber carbine, the lack of training and training facilities for private detectives, and the impact of municipal ordinances in regard to the carriage of firearms by private detectives. He pointed out that professional liability insurance was not addressed in either bill and, although he felt it should be, he said it was difficult to obtain coverage in the State of Kansas. One of the Association's primary objections to SB 322, he said, was the increase in licensing fees; that the Association does not oppose an increase but wants it to be reasonable. Mr. Ellis advocated appointment of a joint legislative committee to consider the differences in the two bills and asked that language be inserted in SB 322 to resolve these issues.

Mr. Mike Galbreath, Vice President of the Kansas Association of Private Investigators (KAPI) and President of Agency Enforcement, Inc., a private investigative firm in Greater Kansas City, expressed opposition to SB 322 (Attachment #8), telling the committee that KAPI supports the house version, HB 2487, because it expands language in the current bill and adds important sections which allow for additional safety for the citizens of Kansas and private investigators of the state. In the interest of time, he asked the committee to read his written testimony which compares the two bills and details the provisions the Association opposes in SB 322.

CONTINUATION SHEET

MINUTES OF THE SENATE FEDERAL & STATE AFFAIRS COMMITTEE, Room 254-E, Statehouse, at 11:07 a.m. on February 5, 1998.

Senator Oleen assured Mr. Galbreath that his written testimony would be read by committee members.

All scheduled conferees having testified, Senator Oleen closed the hearing on SB 322, and opened the meeting for questions.

Senator Jones inquired about the intent of the provision pertaining to access of records, and Ms. Nohe referenced language in SB 322, p. 10, beginning line 20, which states that a request to access records must pertain to an investigation of a complaint filed against the detective or agency. She noted that information obtained must be kept confidential. Ms. Nohe also pointed out that language in SB 322 narrows the current authority of the Office of the Attorney in accessing records by limiting the kinds of records that may be accessed, restricting use of the records, and requiring a written order. A written order is similar to a subpoena.

Senator Vidricksen commented on the number of sessions spent considering legislation relating to licensure and regulation of private detectives and that only four areas of contention were holding up this legislation.

Senator Oleen agreed that the issue had been under consideration for some time and remarked it was unfortunate that, five days after SB 322 was filed, the House version was filed which, she said, made it difficult. She stated that there would be no joint committee to work out the differences; that it is the responsibility of the legislature, whether Senate or House, to look at the merits of legislation as presented. She told the committee testimony presented before the House Federal and State Affairs earlier this week would be made available to them if they wished to consider it in their deliberations on this issue. Senator Oleen indicated she would take under advisement whether to appoint a subcommittee. She assured that action would definitely be taken on this issue this session and highly recommended that the two sides get together and work out their differences.

The meeting adjourned at 12:10 p.m. The next meeting is scheduled for February 9, 1998.

SENATE FEDERAL & STATE AFFAIRS COMMITTEE GUEST LIST

DATE:	2-5-98	

NAME	REPRESENTING
JOE LEGROTTE	METRO INVESTIGATIONS
Caroline aclams	action Investigations
Sim FERGUSON	METRO THESTICATIONS
Dan Bond	CKT
Bill SANDERS	Ks. Assoc. of Private Investigator
Camille Mohr	Afformer Mind
Julene Miller	AG
Larry Klasman	League of KS Manicysalities
VOLV W, EZNS	League of KS Municipalities KSDSSN PRIV. IN.
MIKE GARBROATI	15AP1



Office of the Attorney General

301 S.W. 10th Avenue, Topeka 66612-1597

CARLA J. STOVALL
ATTORNEY GENERAL

February 5, 1998

Main Phone: (785) 296-2215 Fax: 296-6296 TTY: 291-3767

Before the Senate Committee on Federal and State Affairs Re: Senate Bill 322

Testimony on behalf of Attorney General Carla Stovall Presented by Assistant Attorney General Camille Nohe

Thank you for this opportunity to testify in support of Senate Bill 322. This bill represents the fruits of a collaborative review of the Private Detective Licensing Act by a representative committee of licensed private detectives and personnel from the Attorney General's office, undertaken with the goal of addressing numerous problematic statutory provisions. Senate Bill No. 322 accomplishes this goal through many substantive, procedural and technical amendments to the licensing laws and has the full support of the Attorney General.

From the Attorney General's administrative perspective, the following are of particular significance:

- (1) An increase in fees for private detective licenses, private detective agency licenses, concealed weapon permits and firearm trainer certificates, coupled with the establishment of a private detective fee fund. These changes will allow the licensing function to become self-supporting like all other professional and occupational licensing programs in Kansas. Since its inception in 1972, all fees collected have been required to be deposited in the general fund and thus have been unavailable for use by the Attorney General in the administration and enforcement of this licensing program. *See* sections 4, 12(b), 13(e) and 14.
- (2) A change in the term of private detective licenses, private detective agency licenses, concealed weapon permits and firearm trainer certificates from one year to two years. This change will reduce both the administrative burden in relation to license, permit and certificate renewals and the burden to licensees, permit and certificate holders. See sections 4(c), 5,(a), 12(h) and 13(e).
- (3) Elimination of the current requirement that a Kansas applicant submit references from Kansas residents who have known the applicant for 5 years which, in its effect, establishes a 5 year residency requirement. This is replaced with the simpler requirement that the references have known the applicant for 5 years regardless of the residency of the applicant or the references. *See* section 3(b).
- (4) Elimination of the requirement of a hearing prior to the denial of a license. However, pursuant

Sen. Federal & State Affairs Comm.

Attachment: # /

to the proposed language and the Kansas Administrative Procedures Act, and like most other professional and occupational licensing acts, an applicant who is denied a license on the grounds specified retains the right to a hearing upon request. *See* section 3(d).

- (5) Elimination of the requirement that a licensee obtain insurance to cover intentional acts (but retention of the requirement for insurance to cover negligence and errors or omissions) and establishment of the requisite amount of insurance coverage. Insurance companies wisely do not write policies to cover intentional acts. *See* section 8(a).
- (6) Addition of authority to take disciplinary measures which are less severe than revocation or suspension of a license, i.e. to censure, limit or condition a license. Currently, the only options available are suspension and revocation of a license. See section 9(a). See section 10(a) and (b).
- (7) Elimination of the requirement that all licensed private detectives register their vehicle in Kansas. The Private Detective Licensing Law permits out-of-state residents to be licensed; however, under vehicle registration laws of the various states, such persons are required to register their vehicles in their state of residence.

The Attorney General does request two technical amendments to Section 13 which establishes the requirements for certification as a firearm trainer. The current statute does not authorize the Attorney General to deny an application for a firearem trainer certificate on account of a prior criminal conviction. Since firearm trainers are not required to be licensed as private detective, a prior criminal history records check would not necessarily have been done. Therefore the Attorney General requests Section 13 (b) be amended to include a new subsection (4) as follows:

(4) not have been convicted of a felony or, within 10 years immediately prior to the date of application, been convicted of a misdemeanor. If the applicant is not licensed as a private detective, the applicant shall submit two classifiable sets of the applicant's fingerprints one of which shall be submitted to the federal bureau of investigation for a fingerprint check for any criminal history of the applicant.

Please note that statutory authority and the specific reference to the FBI is necessary in order to comply with the United States Justice Department requirements regarding criminal history checks.

Additionally, the application fee for certification as a firearm trainer was inadvertently left at \$25. It should be the same as the biennial renewal fee in the amount of \$200.

The Attorney General is charged with the responsibility of administering and enforcing the Private Detective Licensing Act. The changes contained in Senate Bill No. 322 will enable the Attorney General to carry out her statutory charge in a manner which is fiscally responsible and consistent with good public policy. The Attorney General respectfully requests the Committee to act favorably on the amendments proposed in Senate Bill No. 322.

My name is Caroline Adams. I own a medium sized detective agency, Action Investigations Chartered, in Wyandotte County, Kansas and live in Johnson County Kansas. My agency and all detectives are licensed, insured in Kansas.

I received by undergraduate degree from Avila College in 1977 in sociology, and have 1 year towards a Master's degree from the University of Kansas Medical Center in Social Work.

My experience is five years as a deputy sheriff in California, assigned to juvenile division, one year practicum with the Kansas City, Missouri Police Department in the Operations Resource Unit. I am a certified polygraph examiner with a specialty in sex offender testing. I recently completed the Behavioral Measures and Forensic Services course in advanced sex offender testing, which is currently the highest certification offered.

I am a member of the World Association of Detectives and am or have been a member of all groups for investigators in the metro Kansas City area. I have worked for the last 5 years on various legislative groups.

I am here today in support of Senate bill 322 regarding licensure and regulation of Kansas private investigators. This bill is the fairest, most comprehensive legislation of any bills proposed. It is not a perfect bill, but it has the widest support because each and every line was discussed and voted on by membership of one the investigative groups.

During last years legislative sessions all three groups in Kansas City and Wichita were working on it. There are 57 changes proposed of those 57 changes the Wichita Group agreed with 54 of them and the other Kansas City group agreed with 52 of them. This is somewhat amazing in that Investigators argue more and agree less than legislators do.

This legislation is fair in that both the private detectives, KBI and the Attorney General can live with it. It gives everyone some things that they desired and all of the benefits do not go to one group. It is not weighted in anyone's favor. It is fair, just, and equitable.

It allows an disciplinary policy for both minor and major violations of the act, it has a built in appeal process, it funds the program, detectives are granted a number of privileges that they were not in the past.

At the same time it does not create extra work for either the detectives, the KBI or the Attorney General. It is an act that could be amended modified or changed should the need arise.

You will hear people tell you that we need semi automatic guns, shotguns, badges, unlicensed interns and a firearms review board. This is utter nonsense.

If we are in a situation where shotguns and semi-automatic weapons are needed this detective is calling 911, and letting the proper authorities handle it. There is no reason private detectives need to be better armed than the police department.

I shudder to think of unlicensed interns working a case alone. Everyone who works as a detective needs a license.

A Firearms review board is extraneous. There is a perfectly good procedure in place right now with the KBI and the local police investigating any shootings incidents.

I would like to thank you for your time and attention to this legislation and urge to vote favorably for it is fair, just and equitable.

GOOD MORNING AND THANK YOU FOR THE OPPORTUNITY TO SPEAK HERE TODAY IN FAVOR OF SENATE BILL 322.

MY NAME IS JOE LEGROTTE - I AM 62 YEARS OLD - I'VE BEEN MARRIED FOR 42 YEARS - I HAVE THREE SONS AND FOUR GRANDCHILDREN. I LIVE IN LEAWOOD KANSAS - I AM A LICENSED PRIVATE DETECTIVE IN THE STATE OF KANSAS AND I AM ALSO A LICENSED PRIVATE DETECTIVE IN KANSAS CITY MISSOURI. I OWN AND OPERATE METRO INVESTIGATIONS IN LEAWOOD, KANSAS

IN FEBRUARY OF 1996, SEVERAL DETECTIVES THRU-OUT THE STATE RECEIVED AN INVITATION FROM ATTORNEY GENERAL, CARLA STOVALL TO ATTEND A MEETING WITH HER HERE IN TOPEKA. THE PURPOSE OF THE MEETING WAS TO DISCUSS NEEDED CHANGES TO THE PRIVATE DETECTIVE LICENSING ACT.

ALONG WITH SEVERAL COLLEAGUES, SOME THAT ARE PRESENT HERE TODAY, WE HAVE SPENT MORE THAN 200 HOURS SINCE THAT MEETING IN 1996 ASSISTING IN THE DEVELOPMENT OF THE BILL YOU HAVE BEFORE YOU NOW

WHAT WE HAVE ACCOMPLISHED WITH SENATE BILL 322 IS TO MEET, ALMOST 100% OF THE REQUESTED CHANGES SET FORTH BY THE ATTORNEY GENERAL, IN ADDITION TO SEVERAL CHANGES THAT MANY PRIVATE DETECTIVES IN THE STATE REQUESTED.

THE OFFICE OF THE ATTORNEY GENERAL AND SUBSEQUENTLY THE KANSAS BUREAU OF INVESTIGATION ENDORSE THIS BILL IN THE FORM YOU HAVE BEFORE YOU.

BRIEFLY WHAT THE BILL PROVIDES FOR IS:

- 1. BETTER DEFINITION WHERE IT WAS NEEDED THE BILL CLEARS UP AREAS THAT WERE CONFUSING AND OPEN TO LOOSE INTERPRETATION
- 2. CHANGES THAT ALLOW FOR BETTER ENFORCEMENT OF THE LAW THRU MORE DEFINITIVE WORDING SOME NEEDED DELETIONS AND SOME NEEDED ADDITIONS
- 3. IT MAINTAINS MINIMUM LICENSING REQUIREMENTS IT IN NO WAY REDUCES THE REQUIREMENTS TO BECOME A PRIVATE DETECTIVE IN KANSAS, WHICH WE THINK ARE VERY REASONABLE AS THEY ARE CURRENTLY WRITTEN
- 4. IT PROVIDES FOR A TWO YEAR LICENSE INSTEAD OF ONE YEAR TO REDUCE PAPERWORK AND RELATED COSTS FOR A.G., K.B.I. AND LICENSEES
- 5. INCREASE FEES TO MEET OPERATING COSTS ASSOCIATED WITH THE ADMINISTRATION OF THE LICENSING ACT. IT ALLOWS THE PRIVATE DETECTIVE LICENSING ACT TO BECOME MORE SELF SUFFICIENT AND REDUCES THE NEED FOR SUPPLEMENTAL FUNDING
- 6. INCREASES INSURANCE REQUIREMENTS TO BETTER MEET THE DEMANDS OF TODAY'S BUSINESS CLIMATE

THIS PART OF MY TESTIMONY TODAY MAY SEEM UNUSUAL, BUT I WOULD LIKE TO TOUCH ON TWO ISSUES THAT SENATE BILL 322 DOES NOT CONTAIN AND THE REASONS WHY NOT

WHAT IS DOES NOT PROVIDE FOR IS:

- 1. THE USE OF UNLICENSED TEMPORARIES OR SO-CALLED OPERATIVES TO PERFORM INVESTIGATIVE SERVICES. THIS WOULD RESULT IN AN ADMINISTRATIVE NIGHTMARE FOR THE ATTORNEY GENERALS OFFICE AND AN UNFAIR LABOR PRACTICE AFFECTING KANSAS LICENSED PRIVATE DETECTIVES.
- 2. ESTABLISHING UNNECESSARY BOARDS OF REVIEW, SUCH AS A FIREARMS REVIEW BOARD. THERE HAS NOT BEEN A SINGLE INCIDENT IN THE STATE OF KANSAS INVOLVING A PRIVATE DETECTIVES USE OF A FIREARM IN AT LEAST THE LAST TEN YEARS. THE ADMINISTRATION AND ENFORCEMENT OF THE PRIVATE DETECTIVE LICENSING ACT SHOULD BE LEFT TO THE ATTORNEY GENERALS OFFICE AND THE K.B.I

BECAUSE THESE TWO ISSUES ARE NOT ADDRESSED IN BILL 322, THE PASSAGE OF THIS BILL IN ITS PRESENT FORM WOULD IN ESSENCE PROHIBIT THESE THINGS FROM HAPPENING.

IN SUMMARY, WHAT YOU HAVE BEFORE YOU SATISFIES THE NEEDS OF THE ATTORNEY GENERAL, THE KANSAS BUREAU OF INVESTIGATION AND WE BELIEVE IT IS FAIR TO THE DETECTIVES THAT WILL BE LICENSED UNDER THIS ACT

WE FURTHER BELIEVE THAT THIS BILL IS "GOOD PUBLIC POLICY". IT'S IN THE BEST INTEREST OF THE CITIZENS OF KANSAS, AND IT IS A MUCH IMPROVED VERSION OF THE CURRENT LICENSING ACT

I ASK EACH ANY EVERYONE PRESENT TO GIVE THIS BILL STRONG CONSIDERATION AND TO VOTE TO MOVE FORWARD AND ADOPT THIS BILL AS THE NEW PRIVATE DETECTIVE LICENSING ACT FOR THE STATE OF KANSAS

DOES ANYONE HAVE ANY OUESTIONS?

THANK YOU FOR YOUR TIME AND CONSIDERATIONS

GOOD MORNING!!!

MY NAME IS JIM FERGUSON AND I"M A RESIDENT OF KANSAS CITY, KANSAS WHERE I WAS BORN AND RAISED.

MANY YEARS AGO I WAS EMPLOYED AS A DEPUTY SHERIFF OF WYANDOTTE
COUNTY FOR APPROXIMATELY TWO YEARS, AND IMMEDIATELY AFTER
LEAVING THE SHERIFF'S OFFICE, I BECAME A MEMBER OF THE
KANSAS CITY KANSAS POLICE DEPARTMENT WHERE I WAS ASSIGNED
TO SEVERAL DIFFERENT DIVISIONS, ACCIDENT INVESTIGATIONS,
VICE AND NARCOTICS AND GENERAL ASSIGNMENT WITHIN THE DETECTIVE
DIVISION...ALL OF THIS OVER A PERIOD OF EIGHT YEARS.
IN 1977 I BECAME A PRIVATE DETECTIVE WHEN I ACQUIRED MY
FIRST KANSAS STATE LICENSE BY PASSING ALL THE NECESSARY
TESTING AND REQUIREMENTS, AS WELL AS MY GUN PERMIT TO CARRY
A WEAPON.

THE PAST TWENTY ONE YEARS HAVE BEEN INTERESTING AND REWARDING FOR ME AS WELL AS PRODUCTIVE FOR CLIENTS WHO HAVE A NEED FOR SERVICES THAT MAY NOT BE AVAILABLE THRU THE VARIOUS POLICE DEPARTMENTS AND COUNTY SHERIFF'S OFFICES OF THE GREAT STATE OF KANSAS.

THEREFORE, I ASK THAT EVERYONE PRESENT GIVE THIS BILL STRONG CONSIDERATION, AND TO MOVE FORWARD WITH A POSITIVE VOTE TO ADOPT SENATE BILL 322 AND THE NEW PRIVATE DETECTIVE LICENSING ACT FOR THE STATE OF KANSAS.

THANK YOU.

Ladies and gentlemen;

Let me make it simple, over 80 % of our industry who make their living as private investigators oppose Senate bill 322 in its present form. 322 is almost as antiquated as the laws we have lived under since 1975. This bill is unconstitutional as is KSA 75,7b01.

We helped write this bill with exception of a few items that have been added by the Attorney General and a handful of investigators. The first item we oppose is the free access to our records. For the most part our records come under attorney client privilege. The Attorney General wants to continue the current system that allows her office to inspect our records without a subpoena. I have checked and have not found any states where records of investigators can be inspected without a subpoena. No profession from lawyers to doctors to barbers can be inspected without a subpoena. This practice makes us second class citizens.

The second issue is the unjustified fee increase. Two years ago we asked the Attorney General for a budgetary study to show us how much revenue is needed to regulate our industry. We got a wish list which I have provided. I have talked to sources in the KBI and have been told that it should take one person about 1/2 of their work day to do the work necessary to oversee our industry. Next in this wish list they are asking for \$7,500 for someone to rewrite a 30 question test. I talked to a few lawyers that I work for and was told that this could be done in about a hour. We have no problem with paying a justified fee increase. Just don't ask us to pick up the \$100,000 that was cut from the Attorney General's budget last year.

Lastly, we do support House bill 2487 which is fair and just and reflects the true needs of our industry. Finally we don't wish to come back here every year until a reasonable bill is passed. We don't want to waste your time or ours.

Date: 2-5-98 Attachment: # 5 03/14/96 THU 10:07 FAX 913 296 8296 KS ATTORNEY GENERAL

D004

PRIVATE DETECTIVE LICENSING

Projected income:

TOTAL	97,700 (100%)	78,160 (-20%)	67,620 (-40%)
9 firearm trainers at \$200	1,600		
99 firearm permits at \$100	9,900		
77 independents at \$300	23,100		
301 individuals at \$100	30,100		
110 agencies at \$300	33,000		

Projected expenses:

required 20% to general fund	119,540
Program administrator salary	37,000
Half-time secretary salary	12,000
Benefits (20% salaries)	9,800
Rent (500 sq.ft. @ \$12/sq.ft.)	6,000
Communication (phone FAX, postage)	2,000
Printing, copying	2,000
Office supplies	600
Investigations - travel and subsistence	750
Hearings	750
OPERATING EXPENSE SUBTOTAL	(87,940)
Computers (2) and printer	5,000
Office equipment	5,000
Licensing exam development	7,500
TOTAL	105,440

SPI & ASSOCIATES A PRIVATE INVESTIGATIVE AGENCY

February 5, 1998

Senate Federal & State Affairs Committee Hearing, Kansas State Capital, Building Room 254 E @ 11:00am.

Re: Senate Bill 322

Honorable Chairwoman; Lena Oleen Distinguished Senators of this Committee;

I have a brief statement to present, and then I would like to turn any questions over to our secretary, who is more versed on this bill.

I am William A. Sanders, President of the Kansas Association of Private Investigators, "KAPI" (for short). I am the owner of a Private Detective Agency, and a Security Alarm Company, based in Paola, Kansas. As President of KAPI, I represent approximately 60 members state wide, most of whom are either Kansas residents, or Private Detectives or both. Our membership comprises a wide range of diversified professionals, whose education, and professional experience vary. The services provided by our members as a whole cover virtually every facet of the Private Security industry. This organization was formed by individuals who established high ethical standards for themselves, and who want to insure that the people who operate within this industry carry with them these same standards of professional ethics and services to the public.

Attachment: #6

Our legislative committee monitors the state legislative and regulatory actions affecting our industry. For the past five years, a state wide effort has been undertaken by the Private Detectives operating in the state to amend the existing Private Detective Licensing Act. Many people have provided input into this process, including Private Detectives who are not members of KAPI. This effort produced a considerable amount of, but not complete, agreement among the participants. Results were presented to the Office of the Attorney General as the regulating agency, who also was interested in substantial revisions to the Private Detective Licensing Act. The regulating agency did not agree with all of the proposals made by Private Detectives, and after an abortive attempt to pass jointly approved action before the legislature in 1995, a series of meetings and letters occurred in 1996 to attempt resolution of the differences. This produced considerable agreement between the Office of the Attorney General and the Private Detective representatives involved even after strongly argued, somewhat contentious exchanges. In the end, we deadlocked over four issues on which agreement could not be reached by any compromise, and the then pending bill (SB341) died in committee; the same fate that had occurred to SB723 two years earlier. The four issues which deadlocked the negotiations in 1996 are considered important by KAPI; two are considered critical. It is clear that as much agreement as possible has been reached, as can be achieved by negotiation between the Private Detectives and the Office of the Attorney General. It is also clear that the existing Private Detective Licensing Act needs to be amended. We do not feel that this Senate Bill 322, addresses enough of the necessary changes needed, to warrant approval, without the inclusion of House Bill 2487, authored by KAPI, and which has stood hearings this past Tuesday, and now appears to hold widespread support for its passage.

These amendments are a housekeeping necessity, to update an antiquated Private Detective Act, with new 21st Century language and actions, for the protection of the citizens of Kansas, and the Private Detectives it governs. In many cases, we are the last bastion of help the private citizen has left to reach out for after exhausting all other means of public services available to them. A Private Detective fills these gaps left by law enforcement agencies, and we should be entitled to regulations governing us that are consistent with existing statutes, and not in violation of our constitutional rights. In short we need clear, fair, modern day legislation as it applies to our profession.

This Senate Bill 322 has been crafted by a small minority of private detectives, with private agendas ,along with the Attorney General, solely for the purpose of imposing further regulatory rules, and unjustifiable fee structures on the majority of licensed Kansas Private Detectives, who oppose SB 322 and now support HB 2487 which addresses the real purpose of amending the Private Detective Act, and which promotes a better understanding and working relationship with both the Attorney General and the KBI. The work expended over the past five years should not be lost. KAPI would encourage this Senate committee to, at the very least, consider the values of each of the two bills, in joint session with the House Committee, and determine the fate of the final four issues.

The four issues are:

- 1. The regulatory agency's access to records held by Private Detectives. (This is the section which conflicts with other statutes).
- 2. The size of the increase in licensing fees, and the budgetary control or oversight of the fees collected.
- 3. The creation of a Firearms and Training Review Board for Private Detectives.
- 4. The use of a badge by Private Detectives licensed to carry a firearm. (Viewed as a safety issue by the Private Detectives).

Thank you for the time you have given me to address you today.

William A. Sanders President Kansas Association of Private Investigators

KANSAS ASSOCIATION OF PRIVATE INVESTIGATORS



SB 322 Comments in Opposition

John W. Ellis, B.S., M.A.J. Secretary, K.A.P.I. Licensed Private Detective Certified Firearm Instructor

HISTORICAL OVERVIEW

PRIVATE DETECTIVE LICENSING

- 1960s Unregulated by State
- ► Enacted in 1970s
- Last Amended in early 1980s
- 1988 Attorney General initiated an attempts to change procedures and amend act - stalls
- 1994 1996 Meetings among Private Detectives
 & Private Detectives and Attorney General Office
 - Bills introduced; do not go forward
- 1997 HB 2487 Introduced by KAPI;
 - SB 322 Introduced by AG and AD Hoc Group of Private Detectives
 - HB 2267 Introduced on Behalf of Private Citizen

Kansas Association of Private Investigators

5 Feb 98

Sen. Federal & State Affairs Comm

Date: 2-5-98 Attachment: #7

2.

CURRENT PROBLEMS

Private Detective Industry

- Conflicting Statutory Requirements
 - Privacy provisions Open records, Social Security, etc.
 - Federal and State Credit/Collection Acts
 - Federal Polygraph Act
- ► Impact of Increasing Technology
 - ATMs plain clothes security
 - Personal Security plain clothes
 - Information Access Affects demand/cost
- ▶ Lack of Training Facilities in State
 - KLETC not available to private detectives
 - Universities no curriculum; limited classes
 - ► Technical schools none
- ▶ Increasing Municipal Ordinances on Firearms
- Lack of Professional Liability Insurance from a company regulated by the Kansas Insurance Commissioner

Kansas Association of Private Investigators

5 Feb 98

K.A.P.I. OPPOSITION

SB 322

- ► Contingency fees -7b08
 - ▶ Page 7, Line 3
- ▶ Records Access -7b15
 - ▶ Page 10, Line 14
 - SB 322 DOES NOT SOLVE
- Creates Fee Fund
 - ▶ Page 15, Line 30
 - ► RETAIN CONTROL

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4

STATUTE CONFLICT

Private Detective Licensing Act

- Records Access 7b15
 - Page 10, Line 14
 - Administrative subpoena power not court order
 - Law Enforcement Investigation not a court order
 - ► Conflicts with:
 - Federal Fair Credit Reporting Act
 - Federal Debt Collection Practices Acts
 - Federal Social Security Act
 - Federal Employee Polygraph
 Protection Act
 - Kansas Fair Credit Act
 - Administrative Law Case Precedents
 Do Not Support This Access
 - Privileged Communications

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FIREARM BOARD

HB 2487

- . Establishes Firearm & Training Review Board
 - Voluntary; Designed to operate at no cost to state
 - Provides annual firearm standards & training input
 - May be used as a 'shooting review' board

Shooting Review

- Fulfills role of internal review in Law Enforcement Agency
- Operates under authority of Attorney General
- Operates within the time parameters of K.A.P.A.
- Balances rights of regulator, regulated & public

Future oriented

- Preventive in nature
- Historical use of firearms by Private Detectives

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Firearms Related Items

HB 2487

- Permits Concealed Carry
 - ► Currently allowed by exemption in KSA 21-4201
 - SB322 Fixes this So does HB2487
 - SB322 allows 24 hour carry
- Use of Firearm Permit Badge or Insignia
 - ▶ Safety Issue
 - ► Cost borne by individual
 - ▶ Amenable to design approval
 - Protections for misuse
- Carry of shotguns or carbines
 - ▶ ATM, Personal Security, Rural areas
- ► Firearm Permit Under AG Control not Municipal
 - ▶ 7b18 SB 322 does not fix
- Qualification by Type Firearm and Action

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LICENSING FEES

SB 322

- ► CURRENT
 - ► Agency/Independent \$120
 - ▶ Individual \$18
 - ► Firearm Permit \$10
 - ▶ Firearm Trainer \$25
- ▶ PROPOSED BY SB 322
 - ► Agency/Independent \$400 for Two years
 - ► Individual \$200 for Two years
 - ► Firearm Permit \$100 for Two years
 - ▶ Firearm Trainer \$200 for Two years
- ► K.A.P.I. RECOMMENDS:
 - ► RETAIN CONTROL OF FEES
 - Pay to General Fund not AG Fund
 - Adjustment of current fees based on C.P.I.
 - Approximately doubles current fees

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OTHER CHANGES

HB 2487

- On-the-Job Training; Interns
- **▶ Temporary Licenses**
- Operatives
- Rules and Regulations Invalidity
- Specifies the License Classifications

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5 Feb 98

SUMMARY

K.A.P.I.

Records Access change won't work

Fee Fund upsets balance of power

Safety Issue Related to Badge not addressed

Firearms Training & Review Issues are not addressed

Resolve this bill with HB2487 in Joint session and pass amendments in this session. AG and Private Detectives are deadlocked; legislature must make resolution of the final issues.

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KANSAS ASSOCIATION OF PRIVATE INVESTIGATORS P.O. Box 2111

Overland Park, KS 66201-1111

Bill Sanders, President, 913-294-4300 John Ellis, Secretary, 913-362-2017



Legislative Synopsis H.B. 2487 Amendment to the Private Detective Licensing Act K.S.A. 75-7b

4 February 1998

The amendments proposed by the Kansas Association of Private Investigators to the Private Detective Licensing Act accomplish the following:

Remove statutory conflicts:

1. Records Access.

- a. Current sections of the **Private Detective Licensing Act** impose records access requirements under penalty for non-compliance. These sections are:
- (1) K.S.A. 75-7b08(a) requires a private detective to divulge any information in his possession to the Attorney General, any Law Enforcement Officer, any County Attorney or their representative.
- (2) K.S.A. 75-7b15(a) requires that a private detective allow free and full opportunity for inspection of records by the attorney general.
- (3) K.S.A. 75-7b15(b) authorizes the attorney general to issue an administrative subpoena for records.
- b. The Federal Fair Credit Reporting Act and the Kansas Fair Credit Act impose conflicting requirements. The appropriate citations and requirements are:
- (1) 15 U.S.C. 1681a. and K.S.A. 50-702 establish definitions which make it clear that certain records held by private detectives are subject to these credit act restrictions.
- (2) 15 U.S.C. 1681b., 1861f. and K.S.A. 50-703 establish permissible uses of these records, limiting them to release by the private detectives only in compliance with court orders or for employment, insurance, credit or licensing actions concerning the person to whom the record pertains.
- (3) 15 U.S.C. 1681n., 1681o., K.S.A. 50-715 and 50-716 impose civil penalties on the private detectives for non-compliance.
- (4) 15 U.S.C. 1681t. clearly states that where the state law conflicts with the requirements of the federal act, the federal law prevails and must be followed.
- c. The **Federal Debt Collection Practices Act** imposes conflicting requirements. The appropriate citations and requirements are:
- (1) 15 U.S.C. 1692c. prohibits communication of information gathered in a debt collection to third parties unless a court order is presented.
- (2) 15 U.S.C. 1692k. imposes civil penalties for non-compliance by the private detective.

- (3) 15 U.S.C. 1692n. And 1692o. clearly states that where the state law conflicts with the requirements of the federal act, the federal law prevails and must be followed.
- d. The **Federal Employee Polygraph Protection Act** imposes conflicting requirements. The appropriate citations and requirements are:
- (1) 29 U.S.C. 2008 prohibits release of the test results to a third party unless a court order is presented.
 - (2) 29 U.S.C. 2005 imposes civil penalties for non-compliance.
- (3) Kansas Attorney General Opinion #87-161. States that a polygraph test administered for private purposes in Kansas must be administered by a licensed private detective.

2. Motor Vehicle Licensing.

K.S.A. 75-7b16 requires that any motor vehicle used by a private detective must be registered in Kansas. This conflicts with licensing requirements for motor vehicles from another state and has been ruled invalid in a Kansas Administrative Hearing.

Private Detective Firearm Permit Requirements

1. Allows private detectives with a valid firearm permit to utilize a badge for safety.

Kansas cities restrict use of word "Police" on badge and uniform.

K.A.P.I. can find no other states which prohibit badges.

Federal statutes restrict use of words "National", "Federal", "United States" or "U.S." on badges or insignia (18 USC 701) and restricts use of badges or insignia that are identical to a federal agency (18 USC 712).

The concern about "impersonation of a law enforcement officer" is unrealistic. A private detective does not need a badge to "impersonate" if that is his intent.

- 2. Establishes a Firearm and Training Review Board for Private Detective firearm use.
- 3. Corrects a statutory citation in the existing statute.
- 4. Modifies the type of firearms that may be carried by private detectives to meet changing public demand.
 - 5. Clarifies the application of municipal laws to firearm carriage by private detectives.

Entry level employees.

- 1. Allows issuance of temporary licenses for responsiveness to the public.
- 2. Allows **intern licensing** to overcome the current lack of education and training for private detectives within the state.

Administrative changes.

- 1. Clarifies certain definitions to assist with their interpretation and application for regulatory purposes and to update the act in the changing business environment.
 - 2. Allows fingerprints to be used for background checks with the KBI and FBI.

COMPARISON 1997-1998 Session Bills

to amend

PRIVATE DETECTIVE LICENSING ACT K.S.A. 75-7b

Section	SB 322	HB 2487	HB 2267
7601	Amends definitions: Detective business Law enforcement officer Organization Firearm Permit	Amends definitions: Detective business Law enforcement officer Organization Firearm Permit	No change
		Adds definitions: Good moral character Citizen Independent Claims adjuster Operative Intern Pistol-caliber carbine	
7b02	No change:	Amends wording for: Application to LEO	No change
7b03	Amends exemptions for: Employers Financial-credit businesses Attorneys & law firms Private patrol operators	Amends exemptions for: Employers Financial-credit businesses Attorneys & law firms Claims adjusters Private patrol operators	No change
		Adds exemptions for: Operatives Out-of-state licensees	

Market researchers

7b04

Amends applicant
requirements for:
Address
Business owners, etc
Photographs & fingerprints
Employment history
Personal references
Criminal history screening
Administrative hearing

Amends applicant requirements for:

Address

Business owners, etc.

Photographs & fingerprints Employment history

Personal references Criminal history screening Personal references

Amends applicant

requirements for:

Adds:

Adds:

Identification of license classifications currently in use by regulating agency;

Language requirement;

Competency limitation;

Authority for issuance of 120 day temporary license;

Authority for intern license;

Authority to screen applicants for limited, conditioned or censured licenses Authority to screen applicants for limited, conditioned or censured licenses

Authority for application fee

Authority for application fee

Removes:

General statements for additional qualifications

Authority to deny applicant license for conduct of others

Comparison of	1997	Session	Bills amending Private	Detective Licensing Act	:
Section	CR	322		UD 2497	

HB 2267

7b05

Amends fee rate and

frequency:

Amends fee assessment to match classifications:

No change

2 year licenses

Agency - \$400

Owner/Officer - \$200 Individual - \$400

Retains 1 year license

Agency/Independent - \$120

Owner/Officer - \$18 Individual - \$18

Adds:

Standardizes license number

7b06

No change

Amends notification

No change

requirement for: Change of address Loss of identification

7b07

Amends:

Amends:

No change

Licensing period

Renewal administrative

requirements

Photograph requirement

Removes:

Removes:

General statement on rules

Licensee responsibility for

employees

Adds:

Limitation on licensee responsibility for employee

conduct

7b08

Amends:

Amends:

No change

Disclosure requirement

False report limitation

Disclosure requirement

False report limitation Written report requirement Limitation on badge use

Official impersonation clause

Official impersonation clause

Limitation on use of alias Entry restriction for private

Entry restriction for private

property

property

Clarifies evidence restriction

Clarifies evidence restriction

Removes:

Contingency fees

Comparison of 1997 Session Bills amending Private Detective Licensing Act Section SB 322 HB 2487			НВ 2267
7b09	No change	Amends: Agency and employee record requirements	No change
7b10	Amends: Advertisement limits	Amends: Advertisement limits	No change
		Removes: Branch office certificates	
7b11	Amends: Insurance coverage language	Amends: Insurance coverage language	No change
	Insurance & bond amount to \$100,000	[Retains \$10,000]	
7b12	No change	No change	No change
7b13	Amends: Criminal conviction limits for licensees	Amends: Criminal conviction limits for licensees; Clarifies meaning of limited activity on behalf of an attorney	No change
	Authority to regulate licensee conduct	Authority to regulate licensee conduct	
		Removes: Authority to regulate business contracts; Redundant statement	
7b14	Amends: Authority to regulate licensee conduct Advertising restriction Evidence restriction	Amends Authority to regulate licensee conduct Advertising restriction Evidence restriction	No change

Comparison	of 1997 Session	Bills amending Private Detective Licensing Act
Section	SB 322	HB 2487

HB 2267

7b15

Amends:

Amends:

No change

Records access

Records requirement Records access

Adds:

Limitation on regulating agency access to private records held by licensee

7b16

Repeals

Amends

No change

Changes motor vehicle requirement to accord with

current law

7b17

Amends

Authority to carry firearm

Amends

No change

Requirement to 'demonstrate' need; Statute citation

Statute citation

Photograph & fingerprint

requirement;

Permit display requirement

Permit display requirement Firearm Discharge report

requirement;

Authority to revoke permit

Permit fee - \$100 biannual

Authority to revoke permit [Retains \$10 annual fee]

Adds:

Adds:

24 hour carry provision 2 year license period

> Authority to carry firearm permit badge for safety;

Limitations for competency,

abuse or addictions

Authority to issue permit for

shotguns or carbines

Clarifies basic qualification standards for firearms;

Prepared February 1997 by the Kansas Association of Private Investigators, a non-profit Kansas corporation, in support of HB 2487.

Compa Section	arison of 1997 Session Bills amending b	Private Detective Licensing Act HB 2487	НВ 2267
7b18	No change	Amends: Clearly includes firearm permits under regulatory agency; Limits on rules & regulations adoption;	No change
	je	Repeals: Existing Rules and Regulations for licensees	
7b19	No change	Amends: Penalty language	No change
7620	No change	Amends: Written exam requirement Background check requirement	No change
		Deletes: Oral interview requirement	
7b21	Amends: Firearm trainer certification requirements; Fee - \$200 biennial	Amends: Firearm trainer certification requirements [Retains \$25 annual fee]	No change
New	Establishes fee fund for direct attorney general control of funds		None
	Control of funds	Establishes Firearm & Training Review Board for	

Training Review Board for licensed Private Detectives -Reviews training annually
May review use of force
incident by Private Detective

AGENCY ENFORCEMENT, INC.



Wednesday, February 4, 1998

Members
Senate Federal and State Affairs Committee

Addressing Senate Bill 322

My name is Mike Galbreath, Vice President of Kansas Association of Private Investigators. I am the President of Agency Enforcement, Inc., a private investigative firm in Greater Kansas City. I started in the investigative and protective business as an employee of the Federal Government in covert operations. I left that to become a police officer in San Diego. After thirteen years in California, I moved back to Kansas City in order to be closer to family. Agency Enforcement currently operates in this country and in Mexico. Next month, we will be negotiating with agencies in Ireland, Scotland and Canada to cover those areas also.

My concern in this bill has come about through my intense interest in helping to create a more positive perception of the industry by the general public. Movies and television are not the only reason for a poor perception of private detectives. A big reason is caused by the actions or non actions of members of the profession.

K.A.P.I., the Kansas Association of Private Investigators currently has a bill, HB 2487, in the House of Representatives. We support this bill due to the fact that it correct and expands language in the current bill and adds very important sections which will allow for additional safety for the citizens of Kansas and the private investigators of the State.

The bill being offered here does not allow for a person to enter this profession in an organized, professional manner. With the current bill and SB 322, a person only needs to pass an open book, simplistic test and not be a felon to obtain a license. The House bill calls for an intern program which will require that a person work under a licensed professional private investigator. A program will be developed requiring minimal education levels and continuing education credits for licensing.

This bill calls for a substantial increase in fees. The AG's office has agreed in the House hearings that they are able to operate of the amount of money now available. They have not demonstrated a need for more funding to operate this portion of their responsibilities, however, their entire thrust has been for more funding. My understanding is that licensing and fees may not be more that costs. We have repeatedly asked for accounting of cost and have not been able to have them. We would like to see the fees increase with the CPI. This seems to be a reasonable method of increase.

5427 Johnson Drive * Suite 113 * Mission, KS 66205 Phone 913-236-0051 Fax 913-236-0071

Sen. Federal & State Affairs Comm Date: 2-5-98

Attachment: #8

Page Two - Addressing SB 322

In the House bill we have asked for a firearms identification badge. I understand, to a degree, the reason for not allowing a badge. The feeling seems to be that it could be used to impersonate a commissioned officer. This is already covered and is illegal under the current law. Our concern is for our safety. I know from personal experience as a police officer that when I approached a scene with a non-uniformed person holding a gun on another person, my attention was focused on the person with the gun. If he holds up a card or a piece of paper to prove his right to have a firearm, I still felt the danger while having to approach the person with the gun in order to retrieve the item to read. If I had that person drop the gun, someone else could get it before I did. It is unsafe for all present.

As a private investigator with a license to carry a gun, I am on the other side. How do I know if the police officer is not going to shoot first and ask questions later. I am now the one the officer is pointing the gun at. Do I reach in my pocket and pull out my license, a business card size document with my picture? If I were the officer, again, my attention would be toward the person with the gun, not the person who is the problem and at that point could cause the officer a problem. I also know of this side of the problem first hand. Under the current system, there will be a problem. It's only a matter of time. I would like to see a bill that would do everything possible to circumvent that occurrence.

We have asked for the right to carry, in the open shotguns and pistol-caliber carbines. This is needed due to some of the changes in our industry. We are getting more involved in ATM security, as one example. No doubt you are aware of the private investigator killed in the Kansas City area last year. We, along with most law enforcement agencies are simply out gunned by the bad guys. We ask for this change for our safety and the safety of the public.

I thank you for your time and patience.

Mike C. Galbreath