



08 - 0939

BIENNIAL REPORT OF LICENSING BOARD

BOARD: Private Detective and Protective Agent Services Board

LOCATION(S): 1430 Maryland Avenue East
St. Paul, MN 55106

STATUTORY AUTHORITY: MN SS 326.32 - 326.339

REPORT PERIOD: July 1, 2006 to June 30, 2008

SUBMITTED BY: Marie Ohman, Executive Director

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
General Statement of Board Activities
FY 07 - FY 08

This five member board administers the licensing, regulatory and compliance provisions of MN SS 326.32 to 326.339. The board is an independent regulatory activity, receiving administrative service assistance from the Department of Public Safety.

The board meets monthly and in special session to carry out the licensing and regulatory functions.

LICENSING FUNCTIONS: The board is empowered to grant two kinds of licenses.

- 1) **PRIVATE DETECTIVE:** Authorizes the recipient; an individual, partnership or corporation, to engage in the business of contract investigative and security services.
- 2) **PROTECTIVE AGENT:** Authorizes the recipient; and individual, partnership or corporation, to engage in the business of contract security and protection services.

The board accepts applications for both license categories. The procedure of application is three-fold: submission of application, background investigation and oral interview with the licensing board.

After the investigation has been completed, a personal interview is held with each applicant. If a license is granted, it is valid for a two-year period. In the event that an application would be denied, the applicant is entitled to appeal the board's decision through an administrative hearing.

The Executive Director investigates complaints that have been referred to the Complaint Committee of the board. Resolution of complaints are arrived at following investigation of irregularities in the financial, professional and legal conduct of the license holder's business as it impacts on the consumer and broader citizen community. Disciplinary actions, fact finding hearings, license restrictions, education, administrative penalties, license revocations and suspension are the board's responsibility.

The administrative rules of the board (7506.0100 - 7506.2700), refers to definitions, procedural processes, training particulars and violations/discipline.

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
General Statement of Board Activities
FY 07 - FY 08

TRENDS IN THE FIELDS:

Both Private Investigation and Security Services do continue to grow. That rate of growth continues to have a faster pace than public law enforcement. For instance, nationally the ratio of private security personnel to public law enforcement is estimated to be 3 to 1. Events of September 11, 2001 and subsequent concerns for terrorism awareness and large scale events have created an increased need for such services. A national estimate is that more than 80% of our country's critical infrastructure is protected by security personnel, rather than law enforcement. Previously it was common for public law enforcement to respond to non-crime related situations. However, as times change and new variables are accounted for, the increased calls for service, limited budgets, and fewer additional personnel have had a significant growth impact on the private sector, who is been taking over traditional law enforcement tasks. Studies have shown that there will be an accelerated opportunity for contract services to continue to assume more criminal justice activities in the new century. Such progress has also influenced partnerships between the public and private sector services concerning public safety.

The continued growth of these service fields calls for the maintenance of a sound regulatory program, and continued enhancement. Minnesota experiences an annual growth in these services; demonstrating significant expenditure for these services, a consistent and strong employing field, as well as sustaining revenues for these services. This regulatory authority balances the aspects of ensuring public trust and confidence if these services are upheld, and the knowledge that regulation should not be unduly intrusive.

Private investigation and security are increasing their role and responsibility in our communities. They are involved in matters of:

- > crime prevention,
- > personal and business protection, and
- > investigation into crime that might otherwise go unaddressed, as well as civil disputes.

There has been a significant increase in work place crime, an increase in community fear of crime, and an increased awareness of the use of private security and its cost effectiveness. Yet, spending for public protection has decreased. The community demands a program that ensures qualified companies offering these protection services; and a responsive agency when there are abuses in power and failure to maintain standards of conduct.

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
Board Employees
FY 07 - FY 08

NAME	JOB CLASSIFICATION/TITLE	STATUS	DATES OF SERVICE
Marie Ohman	Executive Director	FT	7/25/84 to Present
Shannon Foley	OASI	PT	11/14/07 to Present
Tricia Gripp	OASI	PT	11/2006 to 2/2007

**Board Members and Meetings Attended
FY 07 - FY 08**

* This board is comprised of five statutory members. The length of a member's term is four years. Appointment to the Board is made by the Commissioner of Public Safety.

NAME/ADDRESS	OCCUPATION	APPOINTMENT	MEETINGS
Tim O'Malley 1430 Maryland Ave E St. Paul, MN 55106	Bureau of Criminal Apprehension	On-going	Regular
Steve Wohlman Knight Security, Inc. 222 East Park Avenue P.O. Box 739 Renville, MN 56284	Licensed – Protective Agent	8/97 to 1/01 1/01 to 1/05 1/05 to 1/09	Regular
Patrick Skelly 4279 Hawksbury Circle Eagan, MN 55123	Attorney – Public Citizen	12/00 to 1/02 1/02 to 1/06 1/06 to 12/09	Regular
James Hessel 11382 Louisiana Circle Bloomington, MN 554438	Licensed – Private Detective	5/02 to 1/04 1/04 to 1/08 1/08 to 1/12	Regular
Patricia Moen 1907 Grand Avenue St. Paul, MN 55105	Management Analyst for Dept. of Corrections– Public Citizen	4/03 to 1/05 1/05 to 1/09	Regular

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
Receipt and Disbursements of Board Funds
FY 07 - FY 08

	FY 07	FY 08	TOTAL
Total State Appropriation	\$ 126,000	\$ 129,000	\$ 255,000
Total Non-Dedicated Fee Receipts	\$ 158,000	\$ 132,000	\$ 290,000
TOTAL DISBURSEMENTS	\$ 97,000	\$ 112,000	\$ 209,000

All figures in thousands of dollars.

Laws of 2005, Chapter 136, Article 1, Section 11.

Laws of 2007, Chapter 54, Article 1, Section 12.

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
Brief Summary of Board Rules Proposed or Adopted
FY 07- FY 08

The board had no proposed or adopted rules during this time.

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
Number/Types of Licenses Issued
FY 07 - FY 08

PRIVATE DETECTIVE/INVESTIGATOR FOR FEE		
FY 07	Individual	4
	Partnership	0
	Corporation/LLC	17
TOTAL ISSUED FY 07		
FY 08	Individual	7
	Partnership	0
	Corporation/LLC	6
TOTAL ISSUED FY 08		13

PROTECTIVE AGENT FOR FEE		
FY 07	Individual	0
	Partnership	0
	Corporation/LLC	4
TOTAL ISSUED FY 07		4
FY 08	Individual	0
	Partnership	0
	Corporation/LLC	7
TOTAL ISSUED FY 08		7

** It should be noted that these numbers do not represent the number of persons employed or working in these industries, but those businesses that have been licensed by the regulatory board. Pursuant to statute, license holders may hire any number of employees to work for them under the aegis of their license. The license holder must ensure that state and federal criminal history record checks are performed; identification issued, and is at all times responsible for the conduct and supervision of their employees.

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
Number of Persons Previously Licensed Whose License Was:
Revoked, Suspended, or Status Altered
FY 07 - FY 08

Number of Out-of State Licenses (of new licenses issued)

Private Detective/Protective Agent FY 07	7
Private Detective/Protective Agent FY 08	7
TOTAL	14

Reissued Licenses - FY 07 - 104 private detective licenses
31 protective agent licenses
FY 08 - 80 private detective licenses
37 protective agent licenses

Changes to qualifying positions on a license - FY 07 - 12 FY 08 - 8

Lapsed Licenses - FY 07 - 4 FY 08 - 2

Revoked - FY 07 - 0 FY 08 - 0

License Applications Denied:

PRIVATE DETECTIVE <u>or</u> PROTECTIVE AGENT FOR FEE		
FY 07	Individual	None
	Partnership	None
	Corporation	None
TOTAL DENIED		None
FY 08	Individual	None
	Partnership	None
	Corporation	None
TOTAL DENIED		None

*The above is not representative of the numbers of applicants who determine that they will withdraw their application for license prior to the board voting to deny.

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
Complaint Activity
FY 07– FY 08

Summary

Disposition

FY 07

- | | |
|---|---------------------------------|
| 1. Lapse in proof of financial responsibility. | \$ 75.00 Administrative Penalty |
| 2. Contingent license. | \$ 50.00 Administrative Penalty |
| 3. Failure to comply with location notification requirements, issuance of identification cards, completion of record checks and training. | \$200.00 Administrative Penalty |
| 4. Failure to comply with training. | \$100.00 Administrative Penalty |
| 5. Failure to comply with training. | \$ 50.00 Administrative Penalty |
| 6. Failure to comply with location notification, training, completion of record checks. | \$499.00 Administrative Penalty |
| 7. Contingent license and failure to comply with training. | \$150.00 Administrative Penalty |
| 8. Failure to comply with training and completion of record checks. | \$150.00 Administrative Penalty |
| 9. Failure to comply with training and completion record checks. | \$499.00 Administrative Penalty |
| 10. Failure to notify of change in officers and completion of record checks. | \$200.00 Administrative Penalty |
| 11. Failure to comply with training. | \$100.00 Administrative Penalty |
| 12. Contingent license and failure to comply with training. | \$150.00 Administrative Penalty |
| 13. Failure to notify of change in officers. | \$ 50.00 Administrative Penalty |
| 14. Failure to maintain proof of financial responsibility. | \$ 50.00 Administrative Penalty |

FY 08

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| 1. Failure to notify of change in officer and completion of record checks. | \$150.00 Administrative Penalty |
| 2. Failure to notify of change in officers and training compliance. | \$400.00 Administrative Penalty |
| 3. Failure to notify of change in officer. | \$ 50.00 Administrative Penalty |
| 4. Failure to notify of location change. | \$100.00 Administrative Penalty |
| 5. Failure to comply with training and completion of record checks. | \$100.00 Administrative Penalty |
| 6. Failure to comply with training. | \$ 50.00 Administrative Penalty |
| 7. Failure to comply with training. | \$ 50.00 Administrative Penalty |
| 8. Failure to comply with training. | \$ 60.00 Administrative Penalty |
| 9. Failure to notify of change officer and training compliance. | \$250.00 Administrative Penalty |
| 10. Failure to comply with training. | \$ 50.00 Administrative Penalty |
| 11. Failure to comply with training and other reporting. | \$100.00 Administrative Penalty |
| 12. Failure to comply with training. | \$ 50.00 Administrative Penalty |
| 13. Failure to maintain proof of financial responsibility | \$ 75.00 Administrative Penalty |
| 14. Failure to report change in corporate officer. | \$20.00 Administrative Penalty |
| 15. Failure to comply with training and completion of record checks. | \$100.00 Administrative Penalty |

End