

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Commerce and Consumer Services Committee

BILL: SB 726

INTRODUCER: Senator Argenziano

SUBJECT: Private Investigative, Private Security, and Repossession Services

DATE: January 24, 2006

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Earlywine	Cooper	CM	Favorable
2.	_____	_____	ED	_____
3.	_____	_____	GG	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill increases the minimum age required for a private investigator and a private investigative agency manager from 18 to 21. This bill requires applicants for initial licensure as a private investigator to complete specific coursework and pass an examination. In addition, private investigators must complete specific continuing education prior to renewal of licensure. This bill provides for the Department of Agriculture and Consumer Services (department) to establish criteria for the course and the course provider.

This bill amends sections 493.6106, 493.6113, 493.6202, and 493.6203 of the Florida Statutes.

II. Present Situation:

The department regulates the private investigative, private security, and repossession services. Current licensing requirements under s. 493.6106, F.S., for private investigative, private security, and repossession services include that the applicant:

- Be at least 18 years of age.
- Be of good moral character.
- Not be adjudicated incapacitated.
- Not be a chronic and habitual user of alcoholic beverages to the extent normal faculties are impaired.
- Not have been committed for controlled substances or found guilty of a crime under ch. 893, F.S.
- Be a citizen or legal resident alien of the U.S.¹

¹ Section 493.6106(1), F.S.

A licensee must file with the department a certification of insurance before a license will be issued.² The coverage must be \$300,000 and include comprehensive general liability coverage for death, bodily injury, property damage, and personal injury coverage including false arrest, detention or imprisonment, malicious prosecution, libel, slander, defamation of character, and violation of the right of privacy.³

Currently, there is no requirement for an exam or continuing education for private investigative, private security, and repossession services. However, Class “G” license holders (those with a statewide firearms license such as armed security officers) must be recertified every two years.⁴

III. Effect of Proposed Changes:

Section 1 amends s. 493.6106, F.S., to increase the minimum age required for a private investigator and private investigative agency manager from 18 to 21.

Section 2 amends s. 493.6113(3), F.S., to remove the requirement that private investigators and repossessioners maintain adequate commercial general liability insurance coverage, which would make this section consistent with current law.⁵ This provision retains the requirement that security agencies submit evidence of such coverage to the department. Failure by a security agency to maintain adequate commercial general liability insurance is grounds for disciplinary action.

Paragraph (3)(d) is created to require that private investigators (Class “C”), private investigator interns (Class “CC”), private investigator managers (Class “M” and “MA”), recovery agents (Class “E”), recovery agent interns (Class “EE”), recovery agent managers (Class “MR”), and repossessioner school instructors (Class “RI”) licensees are required to participate in relevant continuing education training prior to license renewal each biennium. This section also requires licensees who hold more than one license to complete the continuing education only once during any biennium.

Paragraph (3)(e) is created to also provide the department with rule-making authority to establish criteria for approval of courses and course instructors.

Paragraph (3)(f) is created to require the continuing education training be conducted by approved providers at various locations within or outside the state at times convenient for licensees. The course providers must physically verify the personal identity and license number of each licensee receiving the training and issue a certification of completion to the licensee upon completion of the course. The certificate of completion must then be submitted to the department with the application for license renewal.

Section 3 amends s. 493.6202, F.S., to provide a fee of \$200 for the private investigators exam, and \$200 biennial fee for provider of the continuing education coursework.

² Section 493.6110, F.S.

³ *Id.*

⁴ Section 493.6113(3)(b), F.S.

⁵ Section 493.6110, F.S., as amended by s. 3, ch. 2005-143, L.O.F.

Section 4 creates subsection (5) of s. 493.6203, F.S., to require private investigators to pass an examination prior to initial licensure. The examination, administered by the department or a provider approved by the department, must cover provisions of ch. 493, F.S. The licensee must pass the examination before his/her license may be issued.

This subsection exempts the examination requirements for those persons holding valid private investigator licenses prior to March 1, 2007. Persons whose private investigator licenses have been invalid, for any reason, for more than one year, must pass the examination.

Further, subsection (6) is created to require private investigator interns to complete within the past 12 months of application for licensure, a minimum 40-hour course relating to general investigative techniques and provisions of ch. 493, F.S., which relate to the regulation of the profession, from an institution regulated by the Department of Education. Upon successful completion of course work, the school, college, or university shall issue a certificate of completion to the applicant, which must be submitted to the department with the application for licensure. This section requires any individual whose private investigator intern license that has been invalid for any reason for more than one year to complete the training and examination.

This section also provides the department with rule authority to establish the general content of the training and continuing education criteria.

Section 5 provides an effective date of July 1, 2006.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

The fee to become a continuing education provider is \$200, and the fee to take the private investigator exam is \$100.

The department anticipates the following recurring Licensing Trust Fund revenues:

- For Fiscal Year 06-07
 - Revenue from Private Investigator Exams: \$37,867
 - Revenue from Continuing Education Provider: \$20,000
- For Fiscal Year 07-08
 - Revenue from Private Investigator Exams: \$115,200
 - Revenue from Continuing Education Provider: \$20,000
- For Fiscal Year 08-09
 - Revenue from Private Investigator Exams: \$116,900
 - Revenue from Continuing Education Provider: \$10,000

B. Private Sector Impact:

There will likely be costs associated with the required continuing education courses. Generally, public institutions provided a lower course rate compared to private providers. If there are not enough applicants needing to take coursework, public institutions may not become providers. If this is the case, costs estimated for coursework could drastically increase. The department estimates that the continuing education courses will cost the following:

- Continuing education provider fee: \$200
- Private investigator exam: \$100
- 40-hour private investigator intern course: \$100
- 6-hour continuing education course: \$40

C. Government Sector Impact:

The department anticipates recurring costs associated with printing certificates, applications, manual, and service charges to General Revenue as follows:

- For Fiscal Year 06-07: \$15,316
- For Fiscal Year 07-08: \$15,316
- For Fiscal Year 08-09: \$15,316

The department anticipates incurring non-recurring funds of \$242,000 for start-up costs. These costs include:

- Cost to administer test in regional offices: \$14,400
- Cost to develop/integrate new data requirements into existing document management system: \$195,200
- Cost to develop the curriculum of the 40-Hour Private Investigator Intern course and the 6-hour

Continuing Education course: \$32,400

The department anticipates that the fees collected from applicants will offset the costs associated with the exam and continuing education program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

VIII. Summary of Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
