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By: Delegates McClenahan and Donoghue
Introduced and read first time: January 20, 1997
Assigned to: Economic Matters

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Committee Report: Favorable with amendments
House action: Adopted
Read second time: February 26, 1997

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CHAPTER ____

1 AN ACT concerning

2   **Business Occupations - Private Detectives**

3 FOR the purpose of ~~altering the time table for license renewal and expiration; requiring~~
4   ~~the Secretary of the Department of State Police to develop a regulation regarding~~
5   ~~the expiration months of certain licenses~~ <u>altering the terms and renewal of certain</u>
6   <u>private detective agency licenses; requiring the Secretary of the Department of</u>
7   <u>State Police to stagger the terms of certain private detective agency licenses by</u>
8   <u>regulation</u>; adjusting certain license renewal fees to correspond with the ~~augmented~~
9   <u>altered</u> license terms; adjusting the time period for which an applicant for license
10   renewal must submit certain information to the Secretary of the Department of
11   State Police; expanding the definition of "provide private detective services" to
12   include nonuniformed personal protection; and generally relating to the licensing
13   and regulation of private detectives.

14 BY repealing and reenacting, with amendments,
15   Article - Business Occupations and Professions
16   Section 13-101(i), 13-308, and 13-309
17   Annotated Code of Maryland
18   (1995 Replacement Volume and 1996 Supplement)

19   SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21   **Article - Business Occupations and Professions**

22 13-101.

23   (i) (1) "Provide private detective services" means to provide, for compensation,
24 the service of:

1   (i) conducting an investigation that concerns:

2   1. a crime or wrong committed, assumed to have been
3 committed, or threatened to be committed;

4   2. the identity, habits, conduct, movement, location, affiliations,
5 associations, transactions, reputation, or character of any person;

6   3. the credibility of a witness or of any other individual;

7   4. the location of a missing individual;

8   5. the location or recovery of lost or stolen property;

9   6. the origin or cause of or responsibility for:

10   A. a fire;

11   B. an accident;

12   C. any damage to or loss of property; or

13   D. an injury to an individual;

14   7. the affiliation, connection, or relation of any person with an
15 organization or other person; or

16   8. the activities, conduct, efficiency, loyalty, or honesty of any
17 employee, agent, contractor, or subcontractor; [or]

18   (ii) securing evidence for use before any investigating committee,
19 board of award, or board of arbitration or for use in the trial of any civil or criminal cause;
20 OR

21   (III) NONUNIFORMED PERSONAL PROTECTION.

22   (2) "Provide private detective services" does not include:

23   (i) performing any activity of a person who is engaged exclusively in
24 the business of making investigations and reports that relate to the financial standing,
25 creditworthiness, or financial responsibility of any person;

26   (ii) performing any activity of a person who is engaged exclusively in
27 the business of making a report for an insurance or credit purpose, except if the making
28 of the report involves an investigation or surveillance of a sort normally performed by a
29 person who otherwise is subject to this title;

30   (iii) monitoring an electronically controlled burglar or fire alarm
31 system with a central unit; or

32   (iv) making a marketing survey.

33 13-308.

34   (A) BY REGULATION, THE SECRETARY SHALL STAGGER THE TERMS OF THE
35 LICENSES.

3

1   (a) (B) Unless a license is renewed for a [1-year] 2-YEAR term as provided in
2 this section, the license expires on the [first April 30 after the effective date of the
3 license] 15TH DAY OF THE EXPIRATION MONTH DESIGNATED BY THE SECRETARY
4 THROUGH REGULATION DAY THAT THE SECRETARY SETS.

5   (b) (C) At least 1 month before a license expires, the Secretary shall mail to the
6 licensee, at the last known address of the licensee:

7   (1) a renewal application form; and

8   (2) a notice that states:

9   (i) the date on which the current license expires;

10   (ii) that the Secretary must receive the renewal application and the
11 annual statements required under § 13-309 of this subtitle, on or before [April 15] THE
12 15TH DAY OF THE EXPIRATION MONTH AT LEAST 15 DAYS BEFORE THE LICENSE
13 EXPIRATION DATE, for the renewal to be issued and mailed before the license expires;

14   (iii) the amount of the renewal fee;

15   (iv) that, if the annual statements STATEMENTS REQUIRED UNDER §
16 13-309 OF THIS SUBTITLE are not received on or before [April 15] THE 15TH DAY OF
17 THE EXPIRATION MONTH AT LEAST 15 DAYS BEFORE THE LICENSE EXPIRATION
18 DATE, a fee of $10 per day shall be charged against the licensee until the statements are
19 received; and

20   (v) that the submission of a false statement in the renewal application
21 or in the annual statements is cause for revocation of the license.

22   (c) (D) A licensee periodically may renew the license for an additional [1-year]
23 2-YEAR term, if the licensee:

24   (1) otherwise is entitled to be licensed;

25   (2) pays to the Secretary:

26   (i) a renewal fee of:

27   1. [$100] $200, if the licensee is an individual; or

28   2. [$200] $400, if the licensee is a firm; and

29   (ii) any late fee required under § 13-309 of this subtitle; and

30   (3) submits to the Secretary:

31   (i) a renewal application on the form that the Secretary provides; and

32   (ii) the [annual] 2-YEAR statements required under § 13-309 of this
33 subtitle.

34   (d) (E) The Secretary shall renew the license of each licensee who meets the
35 requirements of this section.

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1 13-309.

2   (a) As a condition for license renewal, a licensee shall submit to the Secretary
3 with the renewal application:

4   (1) a certification or, as authorized by the Secretary, other documentation
5 that the licensed private detective agency has paid, for the past [calendar year] 2 YEARS,
6 all withholding and Social Security taxes;

7   (2) a certification or, as authorized by the Secretary, other documentation
8 that the licensed private detective agency has paid, for the past [calendar year] 2 YEARS,
9 all other obligations payable for the employees of the licensed private detective agency to
10 the State or the federal government;

11   (3) a certificate from an insurance carrier or, as authorized by the Secretary,
12 other documentation showing that the licensed private detective agency has in effect
13 workers' compensation insurance for its covered employees, as defined in § 9-101 of the
14 Labor and Employment Article; and

15   (4) a receipt from the Comptroller's Office or, as authorized by the
16 Secretary, other documentation showing that the State income tax of the licensed private
17 detective agency has been paid for the past [calendar year] 2 YEARS.

18   (b) If the Secretary does not receive the documents required under subsection (a)
19 of this section on or before [April 15] THE 15TH DAY OF THE EXPIRATION MONTH AT
20 LEAST 15 DAYS BEFORE THE LICENSE EXPIRATION DATE, the Secretary shall charge
21 the licensee a late fee of $10 per day until the documents are received.

22   (c) The Secretary may inspect any of the business records of a licensee that relate
23 to any matter that is subject to certification or documentation under this section.

24   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 1997.