

Department of Legislative Services

Maryland General Assembly

2001 Session

FISCAL NOTE

Revised

House Bill 224 (Chairman, Economic Matters Committee)

(Departmental – State Police)

Commerce and Government Matters

Judicial Proceedings

**Private Detectives, Security Guards, and Security Systems Technicians -
Licensing – Fines**

This departmental bill makes various changes to the Maryland Private Detectives Act, the Maryland Security Systems Technicians Act, and the Maryland Security Guards Act.

Fiscal Summary

State Effect: Minimal. Enforcement of these provisions, including the promulgations of regulations, could be handled with the existing budgeted resources of the State Police and the Office of Administrative Hearings. Any potential general fund revenue resulting from fines is not expected to be significant, and should not measurably affect State finances or operations.

Local Effect: None.

Small Business Effect: The Department of State Police has determined that this bill has a meaningful impact on small business (attached). Legislative Services concurs with this assessment as discussed below. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary: This departmental bill makes various changes to provisions regulating private detectives, security systems technicians, and security guards. The bill adds to the sanctions available to the State Police in regulating these three industries, and makes

provisions governing the regulation of the three industries, especially in matters relating to license renewal deadlines and late fees, generally consistent with one another. Specifically, the bill:

- requires licensed security system agencies to submit license renewal applications, fees, and other required documents to the State Police 15 days prior to the license expiration date;
- allows the State Police to charge a late fee of \$10 per day if security system renewal fees are not paid (a failure to take such actions prior to the license expiration date requires that the business cease operations);
- prohibits the solicitation of business by a private detective, security system technician, or security guard business without a license or registration to operate that business;
- adds violations of Maryland's criminal code (Article 27) to the reasons for which a private detective or security guard licensee may be sanctioned with a reprimand, fine, license suspension, or license revocation;
- authorizes the State Police to assess fines of up to \$5,000 per violation for violations of provisions regulating these three industries, and requires a schedule of fines to be established by regulation (a ten-day time period is established for such fines to be paid, and criminal code violations are added as valid reasons for imposing any sanctions);
- limits, as specified, the dollar amount of fines imposed on private detectives and security and provides that a fine may be assessed on a licensee or certified individual, but not both, for each violation; and
- allows required training for an "organized police agency" to be performed via a police officer training course recognized and approved by the Maryland Police Training Commission.

Current Law: Various existing provisions regulating the practice and business operations of private detectives, security system technicians, and security guards include authority for the Superintendent of State Police to sanction noncompliant businesses and individuals in these three industries via reprimand, license suspension, and license revocation.

Small Business Effect: This bill could have a meaningful impact on a few small businesses operating as private detective agencies, security system technician firms, or security guard companies. Impacts could occur due to the issuance of monetary or other sanctions initiated by the State Police and upheld in hearings by the Office of Administrative Hearings.

There are currently 565 private detective and security guard licensees in the State. This number includes both licensed firms and individuals. There are also currently 470 firms

and individuals licensed under provisions regulating security systems technicians. It is not possible to quantify the number of these businesses that might be subject to sanctions. It is assumed that the number would be relatively small.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of State Police, Office of Administrative Hearings,
Department of Legislative Services

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