

HOUSE BILL NO. 127

INTRODUCED BY KEYSER, GOULD

BY REQUEST OF THE DEPARTMENT OF COMMERCE

IN THE HOUSE

January 9, 1985	Introduced and referred to Committee on Business and Labor.
January 11, 1985	Fiscal Note requested.
January 16, 1985	Fiscal Note returned.
January 24, 1985	Committee recommend bill do pass as amended. Report adopted.
January 25, 1985	Bill printed and placed on members' desks.
January 26, 1985	Second reading, do pass.
January 28, 1985	Considered correctly engrossed.
January 29, 1985	Third reading, passed. Ayes, 99; Noes, 0.
	Transmitted to Senate.

IN THE SENATE

January 30, 1985	Introduced and referred to Committee on Business and Industry.
March 28, 1985	Committee recommend bill be concurred in as amended. Report adopted.
March 30, 1985	Second reading, concurred in.

April 1, 1985

Third reading, concurred in.  
Ayes, 46; Noes, 0.

Returned to House with  
amendments.

IN THE HOUSE

April 2, 1985

Received from Senate.

April 4, 1985

Second reading, amendments not  
concurred in.

April 5, 1985

On motion, Conference  
Committee requested.

April 9, 1985

Conference Committee  
appointed.

April 15, 1985

Conference Committee  
dissolved.

On motion, Free Conference  
Committee requested and  
appointed.

April 17, 1985

Free Conference Committee  
reported.

April 18, 1985

Second reading, Free  
Conference Committee report  
adopted.

Third reading, Free Conference  
Committee report adopted.

Free Conference Committee  
report adopted by Senate.

April 19, 1985

Sent to enrolling.

Reported correctly enrolled.

1 House BILL NO. 127  
 2 INTRODUCED BY Reyher  
 3 BY REQUEST OF THE DEPARTMENT OF COMMERCE  
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE  
 6 LAW CONCERNING PRIVATE SECURITY PATROLMEN AND INVESTIGATORS;  
 7 PROVIDING COVERAGE FOR SECURITY ALARM SYSTEMS; REMOVING THE  
 8 EXEMPTION FOR CHARITABLE INSTITUTIONS; DELETING RESIDENCY  
 9 REQUIREMENTS; CLARIFYING REQUIREMENTS FOR QUALIFYING AGENTS  
 10 AND RESIDENT MANAGERS; REMOVING EXEMPTIONS FROM REGISTRATION  
 11 AS AN ARMED GUARD OR INVESTIGATOR; PROVIDING QUALIFICATIONS  
 12 FOR UNARMED PRIVATE INVESTIGATORS; AMENDING SECTIONS  
 13 37-60-101, 37-60-105, AND 37-60-302 THROUGH 37-60-306, MCA;  
 14 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."  
 15

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 Section 1. Section 37-60-101, MCA, is amended to read:  
 18 "37-60-101. Definitions. As used in this chapter, the  
 19 following definitions apply:

20 (1) "Alarm response runner" means any individual  
 21 employed by a contract security company or a proprietary  
 22 security organization to respond to security alarm system  
 23 signals. A person whose sole function is to maintain or  
 24 repair a security alarm system is not included within the  
 25 meaning of this definition.

1 (2) "Armed carrier service" means any person who  
 2 transports or offers to transport under armed private  
 3 security guard from one place to another any currency,  
 4 documents, papers, maps, stocks, bonds, checks, or other  
 5 items of value that require expeditious delivery.

6 (3) "Armed private investigator" means a private  
 7 investigator who at any time wears, carries, possesses, or  
 8 has access to a firearm in the performance of his duties.

9 (4) "Armed private security guard" means an individual  
 10 employed by a contract security company or a proprietary  
 11 security organization whose principal duty is that of a  
 12 security guard, armored car service guard, carrier service  
 13 guard, or alarm response runner and who at any time wears,  
 14 carries, possesses, or has access to a firearm in the  
 15 performance of his duties.

16 (5) "Armored car service" means any person who  
 17 transports or offers to transport under armed private  
 18 security guard from one place to another any currency,  
 19 jewels, stocks, bonds, paintings, or other valuables of any  
 20 kind in a specially equipped motor vehicle that offers a  
 21 high degree of security.

22 (6) "Board" means the board of private security  
 23 patrolmen and investigators provided for in 2-15-1891.

24 (7) "Branch office" means any office of a licensee  
 25 within the state, other than its principal place of business



1 within the state.

2 (8) "Contract security company" means any person who  
3 undertakes to provide a private security guard, security  
4 alarm system, alarm response runner, armored car service,  
5 street patrol service, or armed carrier service on a  
6 contractual basis to another person who exercises no  
7 direction and control over the performance of the details of  
8 the services rendered.

9 (9) "Department" means the department of commerce  
10 provided for in 2-15-1801.

11 (10) "Insurance adjuster" means a person employed by an  
12 insurance company, other than a private investigator, who  
13 for any consideration whatsoever conducts ~~any--of--the~~  
14 ~~investigations enumerated-in-subsection-(13)~~ in the course  
15 of adjusting or otherwise participating in the disposal of  
16 any claims in connection with a policy of insurance but who  
17 does not perform surveillance activities or investigate  
18 crimes or wrongs committed or threatened against the United  
19 States or any state or territory thereof.

20 (11) "Licensee" means a person licensed under this  
21 chapter.

22 (12) "Person" includes any individual, firm, company,  
23 association, organization, partnership, and corporation.

24 (13) "Private investigator" means a person other than  
25 an insurance adjuster who for any consideration whatsoever

1 makes or agrees to make any investigation with reference to:

2 (a) crimes or wrongs done or threatened against the  
3 United States or any state or territory thereof;

4 (b) the identity, habits, conduct, business,  
5 occupation, honesty, integrity, trustworthiness, efficiency,  
6 loyalty, activity, movement, whereabouts, affiliations,  
7 associations, transactions, reputation, or character of any  
8 person;

9 (c) the location, disposition, or recovery of lost or  
10 stolen property;

11 (d) the cause or responsibility for fires, libels,  
12 losses, accidents, or injury to persons or property; or

13 (e) securing evidence to be used before any court,  
14 board, officer, or investigating committee.

15 (14) "Private security guard" means an individual  
16 employed to protect a person or property or both a person  
17 and property from criminal acts and whose duties include but  
18 are not limited to the prevention of unlawful entry, theft,  
19 criminal mischief, arson, or trespass on private property,  
20 or the direction of the movements of the public in public  
21 areas.

22 (15) "Proprietary security organization" means any  
23 person who employs a private security guard, an alarm  
24 response runner, armored car service, street patrol service,  
25 or armed carrier service on a routine basis solely for the

1 purposes of that person and exerts direction and control  
2 over the performance of the details of the service rendered.

3 (16) "Qualifying agent" means, in the case of a  
4 corporation, a corporate employee employed in a management  
5 capacity or, in the case of a partnership, a general or  
6 unlimited partner meeting the qualifications set forth in  
7 this chapter for the operation of a contract security  
8 company, proprietary security organization, or private  
9 investigator, whichever is applicable.

10 (17) "Security alarm system" means an assembly of  
11 equipment and devices or a single device such as a solid  
12 state unit which plugs directly into a 110-volt AC line,  
13 designed to detect or signal or to both detect and signal  
14 unauthorized intrusion, movement, or criminal acts at a  
15 protected premises, to which signals police, private  
16 security guards, or alarm response runners are expected to  
17 respond. Fire alarm systems and alarm systems that monitor  
18 temperature, humidity, or any other atmospheric condition  
19 not directly related to the detection of an unauthorized  
20 intrusion or criminal act at a premises are not included  
21 within the meaning of this definition.

22 (18) "Street patrol service" means any contract  
23 security company or proprietary security organization that  
24 uses foot patrols, motor vehicles, or any other means of  
25 transportation to maintain public order or detect criminal

1 activities in public areas or thoroughfares.

2 (19) "Unarmed private investigator" means a private  
3 investigator who does not wear, carry, possess, or have  
4 access to a firearm in the performance of his duties.

5 (20) "Unarmed private security guard" means an  
6 individual employed by a contract security company or a  
7 proprietary security organization whose principal duty is  
8 that of a private security guard, armored car service guard,  
9 or alarm response runner, who does not wear, carry, possess,  
10 or have access to a firearm in the performance of those  
11 duties."

12 Section 2. Section 37-60-105, MCA, is amended to read:

13 "37-60-105. Exemptions. This Except as provided in  
14 37-60-305, this chapter does not apply to:

15 (1) any one person employed singly and exclusively by  
16 any one employer in connection with the affairs of such  
17 employer only and where there exists an employer-employee  
18 relationship and the employee is unarmed, does not wear a  
19 uniform, and has-little-contact-with is inside a structure  
20 which at the time is not open to the public;

21 (2) an officer or employee of the United States of  
22 America or of this state or a political subdivision thereof  
23 while such officer or employee is engaged in the performance  
24 of his official duties;

25 (3) a person engaged exclusively in the business of

1 obtaining and furnishing information as to the financial  
2 rating of persons or as to the personal habits and financial  
3 responsibility of applicants for insurance, indemnity bonds,  
4 or commercial credit;

5 ~~{4}--a-charitable, philanthropic society or association  
6 duly incorporated under the laws of this state which is  
7 organized and maintained for the public good and not for  
8 private profit;~~

9 {5}{4} an attorney at law in performing his duties as  
10 such attorney at law or a law student who is serving a legal  
11 internship;

12 {6}{5} a collection agency or finance company licensed  
13 to do business under the laws of this state, or an employee  
14 thereof while acting within the scope of his employment,  
15 while making an investigation incidental to the business of  
16 the agency or company, including an investigation of the  
17 location of a debtor or his property where the contract with  
18 an assignor creditor is for the collection of claims owed or  
19 due or asserted to be owed or due or the equivalent thereof;

20 {7}{6} special agents employed by railroad companies,  
21 provided the railroad company notifies the board that such  
22 agents are operating in the state;

23 {8}{7} insurers and agents and insurance brokers  
24 licensed by the state, performing duties in connection with  
25 insurance transacted by them; or

1 {9}{8} an insurance adjuster, as defined by  
2 37-60-101(10)."

3 Section 3. Section 37-60-302, MCA, is amended to read:

4 "37-60-302. Qualifying agent and resident manager  
5 required -- substitution -- exemption. (1) An applicant  
6 Except as provided in subsection (4), any person not a  
7 resident of this state who applies for a license under this  
8 chapter, other than an individual to operate as a contract  
9 security company or a private investigator, shall, upon or  
10 before application to the board, appoint for the duration of  
11 the license: a qualifying agent and

12 (a) a resident manager, for each branch office located  
13 within this state, under whose direct supervision and  
14 control the business of the applicant shall be conducted;  
15 and

16 (b) ~~a qualifying agent;~~

17 {2} Every qualifying agent and resident manager shall  
18 satisfy ~~all~~ of the appropriate licensing requirements of  
19 this chapter ~~as though the applicant were an individual.~~

20 (2) A resident manager must be appointed for each  
21 branch office located in this state, and the business of the  
22 applicant or licensee must be conducted under his direct  
23 supervision and control.

24 (3) If a qualifying agent or resident manager for any  
25 reason ceases to perform the duties of a qualifying agent or

1 resident manager on a regular basis, the licensee shall  
 2 promptly notify the board by certified mail of that fact and  
 3 of the name of a substitute individual, who shall make  
 4 application to the board for continuation of the license.  
 5 Pending application by and board action upon the application  
 6 of the substitute, the board may suspend the license or  
 7 extend it for a reasonable time.

8 (4) Proprietary security organizations are exempt from  
 9 the provisions of this section."

10 Section 4. Section 37-60-303, MCA, is amended to read:

11 "37-60-303. License qualifications. (1) An applicant  
 12 for a license to act as a contract security company or a  
 13 proprietary security organization shall submit evidence  
 14 under oath that he:

15 (a) is at least 18 years of age;

16 (b) is a citizen of the United States;

17 (c) has not been convicted in any jurisdiction of any  
 18 felony or any crime involving moral turpitude or illegal use  
 19 or possession of a dangerous weapon, for which a full pardon  
 20 or similar relief has not been granted;

21 (d) has not been judicially declared incompetent by  
 22 reason of any mental defect or disease or, if so declared,  
 23 has been fully restored;

24 (e) is not suffering from habitual drunkenness or from  
 25 narcotics addiction or dependence;

1 (f) is of good moral character; and

2 (g) has complied with such other experience  
 3 qualifications as may be set by the rules of the board.

4 (2) Every applicant for a license to act as a private  
 5 investigator shall submit evidence under oath that he:

6 (a) is a citizen of the United States;

7 (b) is at least 25 years of age;

8 (c) has at least a high school education or its  
 9 equivalent;

10 ~~(d) is a resident of this state;~~

11 ~~(e)(d)~~ has not been convicted of a felony or a crime  
 12 involving moral turpitude;

13 ~~(f)(e)~~ has not been dishonorably discharged from any  
 14 branch of the United States military service;

15 ~~(g)(f)~~ is of good moral character; and

16 ~~(h)(g)~~ for a period of not less than 3 years:

17 (i) has been lawfully engaged in the private  
 18 investigative business;

19 (ii) has been lawfully employed as a private  
 20 investigator or been the holder of a certificate of  
 21 authority to conduct a private investigative business; or

22 (iii) has been an investigator, detective, special  
 23 agent, or peace officer of a city, county, or state  
 24 government or of the United States government; or.

25 ~~(iv) has been graduated from an accredited university~~

1 ~~or-college-with-a-degree-in-police-administration:~~

2 (3) Two years of college credit may substitute for 1  
 3 year of experience under subsection (2)(g), and a 4-year  
 4 bachelor's degree may substitute for 2 years of experience  
 5 under subsection (2)(g). All college credits must be from  
 6 an accredited college or university and be verified by  
 7 transcript.

8 ~~(3)(4)~~ A corporation applying for a license under this  
 9 section must be incorporated under the laws of this state or  
 10 be duly qualified to do business within this state.

11 ~~(4)(5)~~ The board shall require an applicant to  
 12 demonstrate by written examination such additional  
 13 qualifications as the board may by rule require."

14 Section 5. Section 37-60-304, MCA, is amended to read:

15 "37-60-304. Licenses -- application form and content.

16 (1) Application for a license shall be made on a form  
 17 prescribed by the board and accompanied by the application  
 18 fee set by the board.

19 (2) An application shall be made under oath and shall  
 20 include:

21 (a) the full name and address of the applicant;

22 (b) the name under which the applicant intends to do  
 23 business;

24 (c) a statement as to the general nature of the  
 25 business in which the applicant intends to engage;

1 (d) a statement as to whether the applicant desires to  
 2 be licensed as a contract security company, a proprietary  
 3 security organization, or a private investigator;

4 (e) two recent photographs of the applicant, of a type  
 5 prescribed by the board, and two classifiable sets of his  
 6 fingerprints;

7 (f) a statement of his experience qualifications;

8 (g) such other information, evidence, statements, or  
 9 documents as may be prescribed by the rules of the board;  
 10 and

11 (h) if the applicant is a person other than an  
 12 individual, the full name and residence address of each of  
 13 its partners, officers, and directors and its manager and,  
 14 if the applicant is a corporation, a certified copy of its  
 15 certificate of incorporation or certificate of authority  
 16 issued by the secretary of state.

17 (3) The board shall verify the statements in the  
 18 application and the applicant's moral character. The board  
 19 shall ~~send-a-copy-of-the-application-to~~ notify the chief of  
 20 police, the sheriff, and the county attorney in whose  
 21 jurisdiction the principal office of the applicant is to be  
 22 located that an application has been submitted."

23 Section 6. Section 37-60-305, MCA, is amended to read:

24 "37-60-305. Armed guards and investigators --  
 25 registration requirements. (1) Except as provided in



1 37-60-105-~~and~~ 37-60-308, no person may perform the duties of  
 2 an armed private security guard or an armed private  
 3 investigator in this state without having first been  
 4 registered with the board and issued a registration card in  
 5 the manner prescribed by this section.

6 (2) Applicants for registration shall file a sworn  
 7 application on a form prescribed by the board, including the  
 8 same information as required of applicants for licensure in  
 9 37-60-304(2)(a) ~~through (g)~~, and (2)(e) through (2)(g), and  
 10 the name of the business by which the applicant intends to  
 11 be employed. The application must be accompanied by the  
 12 application fee prescribed by the board.

13 (3) Applicants for registration as armed private  
 14 security guards shall meet the same qualifications required  
 15 of applicants for licensure in 37-60-303(1)(a) through (g)  
 16 and in addition to those requirements shall:

17 (a) complete the training requirements of a private  
 18 security guard training program certified by the board and  
 19 furnish the board, on a form prescribed by the board,  
 20 written notice of satisfactory completion of such training;  
 21 and

22 (b) fulfill such other requirements as the board may  
 23 by rule prescribe.

24 (4) Applicants for registration as armed private  
 25 investigators shall meet the same qualifications required of

1 applicants for licensure in 37-60-303(2)(a) through ~~th~~  
 2 (2)(g) and (5) and in addition to those requirements shall:

3 (a) complete the training requirements of a private  
 4 investigator training program certified by the board and  
 5 furnish the board, on a form prescribed by the board,  
 6 written notice of satisfactory completion of such training;  
 7 and

8 (b) fulfill such other requirements as the board may  
 9 by rule prescribe.

10 (5) The exemptions provided in 37-60-105 do not apply  
 11 to this section."

12 Section 7. Section 37-60-306, MCA, is amended to read:

13 "37-60-306. Unarmed guards and investigators --  
 14 identification cards required -- qualifications. (1) Except  
 15 as provided in 37-60-105 and 37-60-308, no person may  
 16 perform the duties of an unarmed private security guard or  
 17 an unarmed private investigator in this state without first  
 18 making application to the board and being issued an  
 19 identification card in the manner prescribed by this  
 20 section.

21 (2) Applicants for identification cards shall file a  
 22 sworn application on a form prescribed by the board,  
 23 including the same information as required of licensees in  
 24 37-60-304(2)(a) through (g), accompanied by the application  
 25 fee prescribed by the board.

1           (3) Applicants for identification cards shall meet  
2 such qualifications as may be prescribed by the board and  
3 must demonstrate proficiency by successfully passing a  
4 written examination."

5           NEW SECTION. Section 8. Extension of authority. Any  
6 existing authority of the board of private security  
7 patrolmen and investigators and the department of commerce  
8 to make rules on the subject of the provisions of this act  
9 is extended to the provisions of this act.

10           NEW SECTION. Section 9. Effective date. This act is  
11 effective on passage and approval.

-End-

## FISCAL NOTE

In compliance with a written request received January 11 19 85, there is hereby submitted a Fiscal Note for H.B. 127 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION:

"An act to generally revise the law concerning private security patrolmen and investigators; providing coverage for security alarm systems; removing the exemption for charitable institutions; deleting residency requirements; clarifying requirements for qualifying agents and resident managers; removing exemptions from registration as an armed guard or investigator; providing qualifications for unarmed private investigators; amending sections 37-60-101, 37-60-105, and 37-60-306, MCA; and providing an immediate effective date."

ASSUMPTIONS:

1. Assume this is a housekeeping bill to revise and clarify sections of current law, Title 37, Chapter 60.
2. Assume 7 new licenses under alarm installer category at \$75.00 a license.
3. Assume proposed FY 86-87 budget can incorporate these changes.
4. Assume rule making authority will result in 10 pages of APA notices, etc.

FISCAL IMPACT ON STATE SPECIAL REVENUE:

	<u>FY 86</u>		<u>FY 87</u>	
	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>
Current Law	\$32,750	\$31,519	\$32,750	\$31,637
Proposed Law	<u>33,275</u>	<u>31,519</u>	<u>33,275</u>	<u>31,637</u>
Difference	\$ 525	\$ -0-	\$ 525	\$ -0-

*David L. Hunter*

BUDGET DIRECTOR  
Office of Budget and Program Planning

Date: JAN 16, 1985

APPROVED BY COMM. ON BUSINESS AND LABOR

HOUSE BILL NO. 127

INTRODUCED BY KEYSER, GOULD

BY REQUEST OF THE DEPARTMENT OF COMMERCE

A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE LAW CONCERNING PRIVATE SECURITY PATROLMEN AND INVESTIGATORS; PROVIDING-COVERAGE-FOR-SECURITY-ALARM-SYSTEMS; REMOVING THE EXEMPTION FOR CHARITABLE INSTITUTIONS; DELETING RESIDENCY REQUIREMENTS; CLARIFYING REQUIREMENTS FOR QUALIFYING AGENTS AND RESIDENT MANAGERS; REMOVING EXEMPTIONS FROM REGISTRATION AS AN ARMED GUARD OR INVESTIGATOR; PROVIDING QUALIFICATIONS FOR UNARMED PRIVATE INVESTIGATORS; AMENDING SECTIONS 37-60-101, 37-60-105, 37-60-202, AND 37-60-302 THROUGH 37-60-306, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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(2) "Armed carrier service" means any person who transports or offers to transport under armed private security guard from one place to another any currency, documents, papers, maps, stocks, bonds, checks, or other items of value that require expeditious delivery.

(3) "Armed private investigator" means a private investigator who at any time wears, carries, possesses, or has access to a firearm in the performance of his duties.

(4) "Armed private security guard" means an individual employed by a contract security company or a proprietary security organization whose principal duty is that of a security guard, armored car service guard, carrier service guard, or alarm response runner and who at any time wears, carries, possesses, or has access to a firearm in the performance of his duties.

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1 within the state.

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 3 undertakes to provide a private security guard, security  
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 5 occupation, honesty, integrity, trustworthiness, efficiency,  
 6 loyalty, activity, movement, whereabouts, affiliations,  
 7 associations, transactions, reputation, or character of any  
 8 person;

9 (c) the location, disposition, or recovery of lost or  
 10 stolen property;

11 (d) the cause or responsibility for fires, libels,  
 12 losses, accidents, or injury to persons or property; or

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 17 employer only and where there exists an employer-employee  
 18 relationship and the employee is unarmed, does not wear a  
 19 uniform, and ~~has little contact with~~ is GUARDING inside a  
 20 structure which at the time is not open to the public;

21 (2) an officer or employee of the United States of  
 22 America or of this state or a political subdivision thereof  
 23 while such officer or employee is engaged in the performance  
 24 of his official duties;

25 (3) a person engaged exclusively in the business of

1 obtaining and furnishing information as to the financial  
 2 rating of persons or as to the personal habits and financial  
 3 responsibility of applicants for insurance, indemnity bonds,  
 4 or commercial credit;

5 ~~{4}--a-charitable,philanthropic-society-or-association~~  
 6 ~~duly-incorporated-under-the-laws--of--this--state--which--is~~  
 7 ~~organized--and--maintained--for--the-public-good-and-not-for~~  
 8 ~~private-profit;~~

9 {5}(4) an attorney at law in performing his duties as  
 10 such attorney at law or a law student who is serving a legal  
 11 internship;

12 {6}(5) a collection agency or finance company licensed  
 13 to do business under the laws of this state, or an employee  
 14 thereof while acting within the scope of his employment,  
 15 while making an investigation incidental to the business of  
 16 the agency or company, including an investigation of the  
 17 location of a debtor or his property where the contract with  
 18 an assignor creditor is for the collection of claims owed or  
 19 due or asserted to be owed or due or the equivalent thereof;

20 {7}(6) special agents employed by railroad companies,  
 21 provided the railroad company notifies the board that such  
 22 agents are operating in the state;

23 {8}(7) insurers and agents and insurance brokers  
 24 licensed by the state, performing duties in connection with  
 25 insurance transacted by them; or

1 {9}(8) an insurance adjuster, as defined by  
 2 37-60-101(10)."

3 Section 3. Section 37-60-302, MCA, is amended to read:

4 "37-60-302. Qualifying agent and resident manager  
 5 required -- substitution -- exemption. (1) An applicant  
 6 Except-as-provided-in-subsection-(4),any ANY person not a  
 7 resident of this state who applies for a license under this  
 8 chapter,other-than-an-individual-to-operate-as-a--contract  
 9 security--company--or-a-private-investigator, shall, upon or  
 10 before application to the board, appoint for the duration of  
 11 the license: a qualifying agent and

12 {a} a resident manager, for each branch office located  
 13 within--this--state,--under--whose--direct--supervision--and  
 14 control--the--business--of--the--applicant--shall--be--conducted,  
 15 and

16 {b)--a-qualifying-agent;

17 {2} Every qualifying agent and resident manager shall  
 18 satisfy all--of the appropriate licensing requirements of  
 19 this chapter as-though-the-applicant-were-an-individual.

20 (2) A resident manager must be appointed for each  
 21 branch office located in this state, and the business of the  
 22 applicant or licensee must be conducted under his direct  
 23 supervision and control.

24 (3) If a qualifying agent or resident manager for any  
 25 reason ceases to perform the duties of a qualifying agent or

1 resident manager on a regular basis, the licensee shall  
 2 promptly notify the board by certified mail of that fact and  
 3 of the name of a substitute individual, who shall make  
 4 application to the board for continuation of the license.  
 5 Pending application by and board action upon the application  
 6 of the substitute, the board may suspend the license or  
 7 extend it for a reasonable time.

8 ~~{4}--Proprietary-security-organizations-are-exempt-from~~  
 9 ~~the-provisions-of-this-section:"~~

10 Section 4. Section 37-60-303, MCA, is amended to read:

11 "37-60-303. License qualifications. (1) An applicant  
 12 for a license to act as a contract security company or a  
 13 proprietary security organization shall submit evidence  
 14 under oath that he:

- 15 (a) is at least 18 years of age;
- 16 (b) is a citizen of the United States;
- 17 (c) has not been convicted in any jurisdiction of any  
 18 felony or any crime involving moral turpitude or illegal use  
 19 or possession of a dangerous weapon, for which a full pardon  
 20 or similar relief has not been granted;
- 21 (d) has not been judicially declared incompetent by  
 22 reason of any mental defect or disease or, if so declared,  
 23 has been fully restored;
- 24 (e) is not suffering from habitual drunkenness or from  
 25 narcotics addiction or dependence;

1 (f) is of good moral character; and  
 2 (g) has complied with such other experience  
 3 qualifications as may be set by the rules of the board.

4 (2) Every applicant for a license to act as a private  
 5 investigator shall submit evidence under oath that he:

- 6 (a) is a citizen of the United States;
- 7 (b) is at least 25 21 years of age;
- 8 (c) has at least a high school education or its  
 9 equivalent;

10 ~~{d}--is-a-resident-of-this-state;~~

11 ~~{e}{d}~~ has not been convicted of a felony or a crime  
 12 involving moral turpitude;

13 ~~{f}{e}~~ has not been dishonorably discharged from any  
 14 branch of the United States military service;

15 ~~{g}{f}~~ is of good moral character; and

16 ~~{h}{g}~~ for a period of not less than 3 years:

17 (i) has been lawfully engaged in the private  
 18 investigative business; OR

19 (ii) has been lawfully employed as a private  
 20 investigator or been the holder of a certificate of  
 21 authority to conduct a private investigative business; or

22 (iii) has been an investigator, detective, special  
 23 agent, or peace officer of a city, county, or state  
 24 government or of the United States government; or.

25 ~~{iv}-has--been--graduated-from-an-accredited-university~~



1 ~~or college with a degree in police administration;~~  
 2 ~~(3) Two years of college credit may substitute for one~~  
 3 ~~year of experience under subsection (2)(g), and a 4-year~~  
 4 ~~bachelor's degree may substitute for 2 years of experience~~  
 5 ~~under subsection (2)(g) UP TO ONE-HALF OF THE EXPERIENCE~~  
 6 ~~REQUIRED BY (2)(G) MAY BE MET BY A COMBINATION OF EDUCATION~~  
 7 ~~AND TRAINING AS ACCEPTED BY THE BOARD. All college credits~~  
 8 ~~must be from an accredited college or university and be~~  
 9 ~~verified by transcript.~~

10 ~~(3)(4)~~ A corporation applying for a license under this  
 11 section must be incorporated under the laws of this state or  
 12 be duly qualified to do business within this state.

13 ~~(4)(5)~~ The board shall require an applicant to  
 14 demonstrate by written examination such additional  
 15 qualifications as the board may by rule require."

16 Section 5. Section 37-60-304, MCA, is amended to read:

17 "37-60-304. Licenses -- application form and content,

18 (1) Application for a license shall be made on a form  
 19 prescribed by the board and accompanied by the application  
 20 fee set by the board.

21 (2) An application shall be made under oath and shall  
 22 include:

- 23 (a) the full name and address of the applicant;
- 24 (b) the name under which the applicant intends to do
- 25 business;

1 (c) a statement as to the general nature of the  
 2 business in which the applicant intends to engage;

3 (d) a statement as to whether the applicant desires to  
 4 be licensed as a contract security company, a proprietary  
 5 security organization, or a private investigator;

6 (e) two recent photographs of the applicant, of a type  
 7 prescribed by the board, and two classifiable sets of his  
 8 fingerprints;

9 (f) a statement of his experience qualifications;

10 (g) such other information, evidence, statements, or  
 11 documents as may be prescribed by the rules of the board;  
 12 and

13 (h) if the applicant is a person other than an  
 14 individual, the full name and residence address of each of  
 15 its partners, officers, and directors and its manager ~~and~~  
 16 ~~if the applicant is a corporation, a certified copy of its~~  
 17 ~~certificate of incorporation or certificate of authority~~  
 18 ~~issued by the secretary of state.~~

19 (3) The board shall verify the statements in the  
 20 application and the applicant's moral character. The board  
 21 shall ~~send a copy of the application to~~ notify SEND WRITTEN  
 22 NOTIFICATION TO the chief of police, the sheriff, and the  
 23 county attorney in whose jurisdiction the principal office  
 24 of the applicant is to be located that an application has  
 25 been submitted."

1 Section 6. Section 37-60-305, MCA, is amended to read:

2 "37-60-305. Armed guards and investigators --  
 3 registration requirements. (1) Except as provided in  
 4 ~~37-60-105 and 37-60-308~~, no person may ~~perform the duties of~~  
 5 BE EMPLOYED AS an armed private security guard or an armed  
 6 private investigator in this state without having first been  
 7 registered with the board and issued a registration card in  
 8 the manner prescribed by this section.

9 (2) Applicants for registration shall file a sworn  
 10 application on a form prescribed by the board, including the  
 11 same information as required of applicants for licensure in  
 12 ~~37-60-304(2)(a) through (g)~~, and ~~(2)(e) through (2)(g)~~, and  
 13 the name of the business TYPE OF EMPLOYMENT by which the  
 14 applicant intends to be employed. The application must be  
 15 accompanied by the application fee prescribed by the board.

16 (3) Applicants for registration as armed private  
 17 security guards shall meet the same qualifications required  
 18 of applicants for licensure in 37-60-303(1)(a) through (g)  
 19 and in addition to those requirements shall:

20 (a) complete the training requirements of a private  
 21 security guard training program certified by the board and  
 22 furnish the board, on a form prescribed by the board,  
 23 written notice of satisfactory completion of such training;  
 24 and

25 (b) fulfill such other requirements as the board may

1 by rule prescribe.

2 (4) Applicants for registration as armed private  
 3 investigators shall meet the same qualifications required of  
 4 applicants for licensure in 37-60-303(2)(a) through ~~(h)~~  
 5 (2)(g) and (5) and in addition to those requirements shall:

6 (a) complete the training requirements of a private  
 7 investigator training program certified by the board and  
 8 furnish the board, on a form prescribed by the board,  
 9 written notice of satisfactory completion of such training;  
 10 and

11 (b) fulfill such other requirements as the board may  
 12 by rule prescribe.

13 ~~(5) The exemptions provided in 37-60-105 do not apply~~  
 14 ~~to this section."~~

15 Section 7. Section 37-60-306, MCA, is amended to read:

16 "37-60-306. Unarmed guards and investigators --  
 17 identification cards required -- qualifications. (1) Except  
 18 as provided in 37-60-105 and 37-60-308, no person may  
 19 ~~perform the duties of~~ BE EMPLOYED AS an unarmed private  
 20 security guard or an unarmed private investigator in this  
 21 state without first making application to the board and  
 22 being issued an identification card in the manner prescribed  
 23 by this section.

24 (2) Applicants for identification cards shall file a  
 25 sworn application on a form prescribed by the board,

1 including the same information as required of licensees in  
2 37-60-304(2)(a) through (g), accompanied by the application  
3 fee prescribed by the board.

4 (3) Applicants for identification cards shall meet  
5 such qualifications as may be prescribed by the board, and  
6 APPLICANTS FOR IDENTIFICATION CARDS AS UNARMED INVESTIGATORS  
7 must demonstrate proficiency by successfully passing a  
8 written examination."

9 SECTION 8. SECTION 37-60-202, MCA, IS AMENDED TO READ:

10 "37-60-202. Rulemaking power. The board shall adopt  
11 and enforce reasonable rules:

12 (1) specifying the form of and procedure to be used in  
13 granting, denying, suspending, or revoking any license,  
14 registration, or identification card;

15 (2) fixing the qualifications of resident managers,  
16 qualifying agents, licensees, registrants, and holders of  
17 identification cards, in addition to those prescribed in  
18 this chapter, necessary to promote and protect the public  
19 welfare;

20 (3) establishing, in accordance with 37-1-134,  
21 application and examination fees for original or renewal  
22 licenses, registrations, and identification cards, and  
23 providing for refunding of any such fees;

24 (4) prohibiting the establishment of branch offices of  
25 any licensee, except a proprietary security organization,

1 without approval by the board, establishing qualification  
2 requirements and license fees for those offices;

3 (5) for the certification of private investigator and  
4 private security guard training programs, including the  
5 certification of firearms training programs and firearms  
6 instructors;

7 (6) for the approval of weapons;

8 (7) requiring the maintenance of records;

9 (8) requiring licensees to maintain such insurance  
10 coverage as the board considers necessary;

11 (9) defining "unprofessional conduct" for the purposes  
12 of removal from the board and suspension or revocation of  
13 licenses, registrations, and identification cards;

14 (10) establishing the expiration and renewal periods  
15 for licenses, registrations, and identification cards; and

16 (11) for the temporary employment of persons without  
17 the required registration or identification cards; and

18 (12) providing for the issuance of probationary and  
19 temporary licenses for contract security companies and  
20 private investigators; and

21 (13) providing for the issuance of probationary  
22 registration and identification cards for private  
23 investigators who do not meet the requirements for age,  
24 employment experience, and written examination."

25 NEW SECTION. Section 9. Extension of authority. Any

1 existing authority of the board of private security  
2 patrolmen and investigators and the department of commerce  
3 to make rules on the subject of the provisions of this act  
4 is extended to the provisions of this act.

5 NEW SECTION. Section 10. Effective date. This act is  
6 effective on passage and approval.

-End-

## 1 HOUSE BILL NO. 127

2 INTRODUCED BY KEYSER, GOULD

3 BY REQUEST OF THE DEPARTMENT OF COMMERCE  
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE  
6 LAW CONCERNING PRIVATE SECURITY PATROLMEN AND INVESTIGATORS;  
7 ~~PROVIDING COVERAGE FOR SECURITY ALARM SYSTEMS~~; REMOVING THE  
8 EXEMPTION FOR CHARITABLE INSTITUTIONS; DELETING RESIDENCY  
9 REQUIREMENTS; CLARIFYING REQUIREMENTS FOR QUALIFYING AGENTS  
10 AND RESIDENT MANAGERS; REMOVING EXEMPTIONS FROM REGISTRATION  
11 AS AN ARMED GUARD OR INVESTIGATOR; PROVIDING QUALIFICATIONS  
12 FOR UNARMED PRIVATE INVESTIGATORS; AMENDING SECTIONS  
13 37-60-101, 37-60-105, 37-60-202, AND 37-60-302 THROUGH  
14 37-60-306, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."  
15

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 Section 1. Section 37-60-101, MCA, is amended to read:

18 "37-60-101. Definitions. As used in this chapter, the  
19 following definitions apply:

20 (1) "Alarm response runner" means any individual  
21 employed by a contract security company or a proprietary  
22 security organization to respond to security alarm system  
23 signals. ~~A person whose sole function is to maintain or  
24 repair a security alarm system is not included within the  
25 meaning of this definition.~~

1 (2) "Armed carrier service" means any person who  
2 transports or offers to transport under armed private  
3 security guard from one place to another any currency,  
4 documents, papers, maps, stocks, bonds, checks, or other  
5 items of value that require expeditious delivery.

6 (3) "Armed private investigator" means a private  
7 investigator who at any time wears, carries, possesses, or  
8 has access to a firearm in the performance of his duties.

9 (4) "Armed private security guard" means an individual  
10 employed by a contract security company or a proprietary  
11 security organization whose principal duty is that of a  
12 security guard, armored car service guard, carrier service  
13 guard, or alarm response runner and who at any time wears,  
14 carries, possesses, or has access to a firearm in the  
15 performance of his duties.

16 (5) "Armored car service" means any person who  
17 transports or offers to transport under armed private  
18 security guard from one place to another any currency,  
19 jewels, stocks, bonds, paintings, or other valuables of any  
20 kind in a specially equipped motor vehicle that offers a  
21 high degree of security.

22 (6) "Board" means the board of private security  
23 patrolmen and investigators provided for in 2-15-1891.

24 (7) "Branch office" means any office of a licensee  
25 within the state, other than its principal place of business

1 within the state.

2 (8) "Contract security company" means any person who  
 3 undertakes to provide a private security guard, security  
 4 alarm--system, alarm response runner, armored car service,  
 5 street patrol service, or armed carrier service on a  
 6 contractual basis to another person who exercises no  
 7 direction and control over the performance of the details of  
 8 the services rendered.

9 (9) "Department" means the department of commerce  
 10 provided for in 2-15-1801.

11 (10) "Insurance adjuster" means a person employed by an  
 12 insurance company, other than a private investigator, who  
 13 for any consideration whatsoever conducts ~~any--of---the~~  
 14 investigations ~~enumerated--in-subsection--(13)~~ in the course  
 15 of adjusting or otherwise participating in the disposal of  
 16 any claims in connection with a policy of insurance but who  
 17 does not perform surveillance activities or investigate  
 18 crimes or wrongs committed or threatened against the United  
 19 States or any state or territory thereof.

20 (11) "Licensee" means a person licensed under this  
 21 chapter.

22 (12) "Person" includes any individual, firm, company,  
 23 association, organization, partnership, and corporation.

24 (13) "Private investigator" means a person other than  
 25 an insurance adjuster who for any consideration whatsoever

1 makes or agrees to make any investigation with reference to:

2 (a) crimes or wrongs done or threatened against the  
 3 United States or any state or territory thereof;

4 (b) the identity, habits, conduct, business,  
 5 occupation, honesty, integrity, trustworthiness, efficiency,  
 6 loyalty, activity, movement, whereabouts, affiliations,  
 7 associations, transactions, reputation, or character of any  
 8 person;

9 (c) the location, disposition, or recovery of lost or  
 10 stolen property;

11 (d) the cause or responsibility for fires, libels,  
 12 losses, accidents, or injury to persons or property; or

13 (e) securing evidence to be used before any court,  
 14 board, officer, or investigating committee.

15 (14) "Private security guard" means an individual  
 16 employed to protect a person or property or both a person  
 17 and property from criminal acts and whose duties include but  
 18 are not limited to the prevention of unlawful entry, theft,  
 19 criminal mischief, arson, or trespass on private property,  
 20 or the direction of the movements of the public in public  
 21 areas.

22 (15) "Proprietary security organization" means any  
 23 person who employs a private security guard, an alarm  
 24 response runner, armored car service, street patrol service,  
 25 or armed carrier service on a routine basis solely for the

1 purposes of that person and exerts direction and control  
 2 over the performance of the details of the service rendered.

3 (16) "Qualifying agent" means, in the case of a  
 4 corporation, a corporate employee employed in a management  
 5 capacity or, in the case of a partnership, a general or  
 6 unlimited partner meeting the qualifications set forth in  
 7 this chapter for the operation of a contract security  
 8 company, proprietary security organization, or private  
 9 investigator, whichever is applicable.

10 ~~{17} "Security alarm system" means an assembly of  
 11 equipment and devices or a single device such as a solid  
 12 state unit which plugs directly into a 110-volt AC line,  
 13 designed to detect or signal or to both detect and signal  
 14 unauthorized intrusion, movement, or criminal acts at a  
 15 protected premises, to which signals police, private  
 16 security guards, or alarm response runners are expected to  
 17 respond. Fire alarm systems and alarm systems that monitor  
 18 temperature, humidity, or any other atmospheric condition  
 19 not directly related to the detection of an unauthorized  
 20 intrusion or criminal act at a premises are not included  
 21 within the meaning of this definition.~~

22 {18}(17) "Street patrol service" means any contract  
 23 security company or proprietary security organization that  
 24 uses foot patrols, motor vehicles, or any other means of  
 25 transportation to maintain public order or detect criminal

1 activities in public areas or thoroughfares.

2 {19}(18) "Unarmed private investigator" means a private  
 3 investigator who does not wear, carry, possess, or have  
 4 access to a firearm in the performance of his duties.

5 {20}(19) "Unarmed private security guard" means an  
 6 individual employed by a contract security company or a  
 7 proprietary security organization whose principal duty is  
 8 that of a private security guard, armored car service guard,  
 9 or alarm response runner, who does not wear, carry, possess,  
 10 or have access to a firearm in the performance of those  
 11 duties."

12 Section 2. Section 37-60-105, MCA, is amended to read:

13 "37-60-105. Exemptions. ~~This Except as provided in~~  
 14 ~~37-60-305, this~~ THIS chapter does not apply to:

15 (1) any one person employed singly and exclusively by  
 16 any one employer in connection with the affairs of such  
 17 employer only and where there exists an employer-employee  
 18 relationship and the employee is unarmed, does not wear a  
 19 uniform, and ~~has little contact with~~ is GUARDING inside a  
 20 structure which at the time is not open to the public;

21 (2) an officer or employee of the United States of  
 22 America or of this state or a political subdivision thereof  
 23 while such officer or employee is engaged in the performance  
 24 of his official duties;

25 (3) a person engaged exclusively in the business of

1 obtaining and furnishing information as to the financial  
2 rating of persons or as to the personal habits and financial  
3 responsibility of applicants for insurance, indemnity bonds,  
4 or commercial credit;

5 ~~(4)--a-charitable, philanthropic society or association~~  
6 ~~duly incorporated under the laws of this state which is~~  
7 ~~organized and maintained for the public good and not for~~  
8 ~~private profit;~~

9 (5)(4) an attorney at law in performing his duties as  
10 such attorney at law or a law student who is serving a legal  
11 internship;

12 (6)(5) a collection agency or finance company licensed  
13 to do business under the laws of this state, or an employee  
14 thereof while acting within the scope of his employment,  
15 while making an investigation incidental to the business of  
16 the agency or company, including an investigation of the  
17 location of a debtor or his property where the contract with  
18 an assignor creditor is for the collection of claims owed or  
19 due or asserted to be owed or due or the equivalent thereof;

20 (7)(6) special agents employed by railroad companies,  
21 provided the railroad company notifies the board that such  
22 agents are operating in the state;

23 (8)(7) insurers and agents and insurance brokers  
24 licensed by the state, performing duties in connection with  
25 insurance transacted by them; or

1 (9)(8) an insurance adjuster, as defined by  
2 37-60-101(10)."

3 Section 3. Section 37-60-302, MCA, is amended to read:

4 "37-60-302. Qualifying agent and resident manager  
5 required -- substitution -- exemption. (1) ~~An applicant~~  
6 ~~Except as provided in subsection (4), any~~ ANY person not a  
7 resident of this state who applies for a license under this  
8 ~~chapter, other than an individual to operate as a contract~~  
9 ~~security company or a private investigator,~~ shall, upon or  
10 before application to the board, appoint for the duration of  
11 the license: a qualifying agent and

12 (a) a resident manager, for each branch office located  
13 within this state, under whose direct supervision and  
14 control the business of the applicant shall be conducted;  
15 and

16 (b) ~~a qualifying agent;~~

17 (2) Every qualifying agent and resident manager shall  
18 satisfy ~~all of~~ the appropriate licensing requirements of  
19 this chapter ~~as though the applicant were an individual.~~

20 (2) A resident manager must be appointed for each  
21 branch office located in this state, and the business of the  
22 applicant or licensee must be conducted under his direct  
23 supervision and control.

24 (3) If a qualifying agent or resident manager for any  
25 reason ceases to perform the duties of a qualifying agent or



1 resident manager on a regular basis, the licensee shall  
 2 promptly notify the board by certified mail of that fact and  
 3 of the name of a substitute individual, who shall make  
 4 application to the board for continuation of the license.  
 5 Pending application by and board action upon the application  
 6 of the substitute, the board may suspend the license or  
 7 extend it for a reasonable time.

8 ~~†4) Proprietary security organizations are exempt from~~  
 9 ~~the provisions of this section.~~"

10 Section 4. Section 37-60-303, MCA, is amended to read:

11 "37-60-303. License qualifications. (1) An applicant  
 12 for a license to act as a contract security company or a  
 13 proprietary security organization shall submit evidence  
 14 under oath that he:

- 15 (a) is at least 18 years of age;
- 16 (b) is a citizen of the United States;
- 17 (c) has not been convicted in any jurisdiction of any  
 18 felony or any crime involving moral turpitude or illegal use  
 19 or possession of a dangerous weapon, for which a full pardon  
 20 or similar relief has not been granted;
- 21 (d) has not been judicially declared incompetent by  
 22 reason of any mental defect or disease or, if so declared,  
 23 has been fully restored;
- 24 (e) is not suffering from habitual drunkenness or from  
 25 narcotics addiction or dependence;

1 (f) is of good moral character; and  
 2 (g) has complied with such other experience  
 3 qualifications as may be set by the rules of the board.

4 (2) Every applicant for a license to act as a private  
 5 investigator shall submit evidence under oath that he:

- 6 (a) is a citizen of the United States;
- 7 (b) is at least 25 21 years of age;
- 8 (c) has at least a high school education or its  
 9 equivalent;

10 ~~†d) is a resident of this state;~~

11 ~~†e) †d)~~ has not been convicted of a felony or a crime  
 12 involving moral turpitude;

13 ~~†f) †e)~~ has not been dishonorably discharged from any  
 14 branch of the United States military service;

15 ~~†g) †f)~~ is of good moral character; and

16 ~~†h) †g)~~ for a period of not less than 3 years:

17 (i) has been lawfully engaged in the private  
 18 investigative business; OR

19 (ii) has been lawfully employed as a private  
 20 investigator or been the holder of a certificate of  
 21 authority to conduct a private investigative business; or

22 (iii) has been an investigator, detective, special  
 23 agent, or peace officer of a city, county, or state  
 24 government or of the United States government; or,

25 ~~†iv) has been graduated from an accredited university~~

1 ~~or college with a degree in police administration,~~  
 2 ~~(3) Two years of college credit may substitute for one~~  
 3 ~~year of experience under subsection (2)(g), and a 4-year~~  
 4 ~~bachelor's degree may substitute for 2 years of experience~~  
 5 ~~under subsection (2)(g) UP TO ONE-HALF OF THE EXPERIENCE~~  
 6 ~~REQUIRED BY (2)(G) MAY BE MET BY A COMBINATION OF EDUCATION~~  
 7 ~~AND TRAINING AS ACCEPTED BY THE BOARD. All college credits~~  
 8 ~~must be from an accredited college or university and be~~  
 9 ~~verified by transcript.~~

10 ~~(3)(4) A corporation applying for a license under this~~  
 11 ~~section must be incorporated under the laws of this state or~~  
 12 ~~be duly qualified to do business within this state.~~

13 ~~(4)(5) The board shall require an applicant to~~  
 14 ~~demonstrate by written examination such additional~~  
 15 ~~qualifications as the board may by rule require."~~

16 Section 5. Section 37-60-304, MCA, is amended to read:

17 "37-60-304. Licenses -- application form and content.

18 (1) Application for a license shall be made on a form  
 19 prescribed by the board and accompanied by the application  
 20 fee set by the board.

21 (2) An application shall be made under oath and shall  
 22 include:

23 (a) the full name and address of the applicant;

24 (b) the name under which the applicant intends to do  
 25 business;

1 (c) a statement as to the general nature of the  
 2 business in which the applicant intends to engage;

3 (d) a statement as to whether the applicant desires to  
 4 be licensed as a contract security company, a proprietary  
 5 security organization, or a private investigator;

6 (e) two recent photographs of the applicant, of a type  
 7 prescribed by the board, and two classifiable sets of his  
 8 fingerprints;

9 (f) a statement of his experience qualifications;

10 (g) such other information, evidence, statements, or  
 11 documents as may be prescribed by the rules of the board;  
 12 and

13 (h) if the applicant is a person other than an  
 14 individual, the full name and residence address of each of  
 15 its partners, officers, and directors and its manager ~~and,~~  
 16 ~~if the applicant is a corporation, a certified copy of its~~  
 17 ~~certificate of incorporation or certificate of authority~~  
 18 ~~issued by the secretary of state.~~

19 (3) The board shall verify the statements in the  
 20 application and the applicant's moral character. The board  
 21 shall ~~send a copy of the application to~~ notify SEND WRITTEN  
 22 NOTIFICATION TO the chief of police, the sheriff, and the  
 23 county attorney in whose jurisdiction the principal office  
 24 of the applicant is to be located that an application has  
 25 been submitted."

1 Section 6. Section 37-60-305, MCA, is amended to read:

2 "37-60-305. Armed guards and investigators --  
3 registration requirements. (1) Except as provided in  
4 ~~37-60-105 and 37-60-308~~, no person may ~~perform the duties of~~  
5 BE EMPLOYED AS an armed private security guard or an armed  
6 private investigator in this state without having first been  
7 registered with the board and issued a registration card in  
8 the manner prescribed by this section.

9 (2) Applicants for registration shall file a sworn  
10 application on a form prescribed by the board, including the  
11 same information as required of applicants for licensure in  
12 ~~37-60-304(2)(a) through (g), and (2)(e) through (2)(g), and~~  
13 the ~~name--of--the--business~~ TYPE OF EMPLOYMENT by which the  
14 applicant intends to be employed. The application must be  
15 accompanied by the application fee prescribed by the board.

16 (3) Applicants for registration as armed private  
17 security guards shall meet the same qualifications required  
18 of applicants for licensure in 37-60-303(1)(a) through (g)  
19 and in addition to those requirements shall:

20 (a) complete the training requirements of a private  
21 security guard training program certified by the board and  
22 furnish the board, on a form prescribed by the board,  
23 written notice of satisfactory completion of such training;  
24 and

25 (b) fulfill such other requirements as the board may

1 by rule prescribe.

2 (4) Applicants for registration as armed private  
3 investigators shall meet the same qualifications required of  
4 applicants for licensure in 37-60-303(2)(a) through ~~(b)~~  
5 (2)(g) and (5) and in addition to those requirements shall:

6 (a) complete the training requirements of a private  
7 investigator training program certified by the board and  
8 furnish the board, on a form prescribed by the board,  
9 written notice of satisfactory completion of such training;  
10 and

11 (b) fulfill such other requirements as the board may  
12 by rule prescribe.

13 ~~(5)--The exemptions provided in 37-60-105 do not apply~~  
14 ~~to this section."~~

15 Section 7. Section 37-60-306, MCA, is amended to read:

16 "37-60-306. Unarmed guards and investigators --  
17 identification cards required -- qualifications. (1) Except  
18 as provided in 37-60-105 and 37-60-308, no person may  
19 ~~perform the duties of~~ BE EMPLOYED AS an unarmed private  
20 security guard or an unarmed private investigator in this  
21 state without first making application to the board and  
22 being issued an identification card in the manner prescribed  
23 by this section.

24 (2) Applicants for identification cards shall file a  
25 sworn application on a form prescribed by the board,

1 including the same information as required of licensees in  
2 37-60-304(2)(a) through (g), accompanied by the application  
3 fee prescribed by the board.

4 (3) Applicants for identification cards shall meet  
5 such qualifications as may be prescribed by the board, and  
6 APPLICANTS FOR IDENTIFICATION CARDS AS UNARMED INVESTIGATORS  
7 must demonstrate proficiency by successfully passing a  
8 written examination."

9 SECTION 8. SECTION 37-60-202, MCA, IS AMENDED TO READ:  
10 "37-60-202. Rulemaking power. The board shall adopt  
11 and enforce reasonable rules:

12 (1) specifying the form of and procedure to be used in  
13 granting, denying, suspending, or revoking any license,  
14 registration, or identification card;

15 (2) fixing the qualifications of resident managers,  
16 qualifying agents, licensees, registrants, and holders of  
17 identification cards, in addition to those prescribed in  
18 this chapter, necessary to promote and protect the public  
19 welfare;

20 (3) establishing, in accordance with 37-1-134,  
21 application and examination fees for original or renewal  
22 licenses, registrations, and identification cards, and  
23 providing for refunding of any such fees;

24 (4) prohibiting the establishment of branch offices of  
25 any licensee, except a proprietary security organization,

1 without approval by the board, establishing qualification  
2 requirements and license fees for those offices;

3 (5) for the certification of private investigator and  
4 private security guard training programs, including the  
5 certification of firearms training programs and firearms  
6 instructors;

7 (6) for the approval of weapons;

8 (7) requiring the maintenance of records;

9 (8) requiring licensees to maintain such insurance  
10 coverage as the board considers necessary;

11 (9) defining "unprofessional conduct" for the purposes  
12 of removal from the board and suspension or revocation of  
13 licenses, registrations, and identification cards;

14 (10) establishing the expiration and renewal periods  
15 for licenses, registrations, and identification cards; and

16 (11) for the temporary employment of persons without  
17 the required registration or identification cards; and

18 (12) providing for the issuance of probationary and  
19 temporary licenses for contract security companies and  
20 private investigators; and

21 (13) providing for the issuance of probationary  
22 registration and identification cards for private  
23 investigators who do not meet the requirements for age,  
24 employment experience, and written examination."

25 NEW SECTION. Section 9. Extension of authority. Any

1 existing authority of the board of private security  
2 patrolmen and investigators and the department of commerce  
3 to make rules on the subject of the provisions of this act  
4 is extended to the provisions of this act.

5 NEW SECTION. Section 10. Effective date. This act is  
6 effective on passage and approval.

-End-

SENATE

STANDING COMMITTEE REPORT

Page 1 of 2

MARCH 28 1985

House Bill 127  
Page 2 of 2  
Business & Industry

MARCH 28 1985

MR. PRESIDENT

We, your committee on BUSINESS & INDUSTRY

having had under consideration HOUSE BILL No. 127

third reading copy ( blue )  
color

REVISE LAW ON PRIVATE INVESTIGATORS AND SECURITY PATROLMEN

Respectfully report as follows: That HOUSE BILL No. 127

be amended as follows:

1. Title, line 7.  
Following: "SYSTEMS"  
Insert: "PROVIDING COVERAGE FOR SECURITY ALARM SYSTEMS;"

2. Title, line 14.  
Following: "MCA"  
Strike: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

3. Page 3, line 3.  
Following: line 2  
Insert: "installs or maintains a security alarm system,"

4. Page 5, line 22.  
Following: line 21  
Insert: "(17) "Security alarm system" means an assembly of equipment and devices or a single device such as a solid state unit which plugs directly into a 110-volt AC line, designed to detect or signal or to both detect and signal unauthorized intrusion, movement, or criminal acts at a protected premises, to which signals police, private security guards, or alarm response runners are expected to respond. Fire alarm systems and alarm systems that monitor temperature, humidity, or any other atmospheric condition not directly related to the detection of an unauthorized intrusion or criminal act at a premises are not included within the meaning of this definition."  
Renumber: subsequent subsections

~~PPDARR~~ (continued on page 2)

~~PPDARR~~

  
Chairman.

5. Page 7, line 10.  
Following: "at law"  
Insert: ", a paralegal or legal assistant employed by an attorney at law,"

6. Page 7, line 25.  
Following: "them;"  
Strike: "or"

7. Page 8, line 2.  
Following: "37-60-101(10)"  
Insert: "; or (9) an internal investigator or auditor, while making an investigation incidental to the business of the agency or company by which he is singularly employed"

8. Page 13, line 4.  
Following: "37-60-105-and"  
Insert: "37-60-105 and"

9. Page 17, lines 5 and 6.  
Strike: section 10 in its entirety

AND AS AMENDED  
BE CONCURRED IN

KB

  
Sen. Mike Halligan, Chairman

HOUSE BILL NO. 127

INTRODUCED BY KEYSER, GOULD

BY REQUEST OF THE DEPARTMENT OF COMMERCE

A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE LAW CONCERNING PRIVATE SECURITY PATROLMEN AND INVESTIGATORS; PROVIDING COVERAGE FOR SECURITY ALARM SYSTEMS; REMOVING THE EXEMPTION FOR CHARITABLE INSTITUTIONS; DELETING RESIDENCY REQUIREMENTS; CLARIFYING REQUIREMENTS FOR QUALIFYING AGENTS AND RESIDENT MANAGERS; REMOVING EXEMPTIONS FROM REGISTRATION AS AN ARMED GUARD OR INVESTIGATOR; PROVIDING QUALIFICATIONS FOR UNARMED PRIVATE INVESTIGATORS; AMENDING SECTIONS 37-60-101, 37-60-105, 37-60-202, AND 37-60-302 THROUGH 37-60-306, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 37-60-101, MCA, is amended to read:

"37-60-101. Definitions. As used in this chapter, the following definitions apply:

(1) "Alarm response runner" means any individual employed by a contract security company or a proprietary security organization to respond to security alarm system signals. A person whose sole function is to maintain or repair a security alarm system is not included within the

~~meaning of this definition.~~

(2) "Armed carrier service" means any person who transports or offers to transport under armed private security guard from one place to another any currency, documents, papers, maps, stocks, bonds, checks, or other items of value that require expeditious delivery.

(3) "Armed private investigator" means a private investigator who at any time wears, carries, possesses, or has access to a firearm in the performance of his duties.

(4) "Armed private security guard" means an individual employed by a contract security company or a proprietary security organization whose principal duty is that of a security guard, armored car service guard, carrier service guard, or alarm response runner and who at any time wears, carries, possesses, or has access to a firearm in the performance of his duties.

(5) "Armored car service" means any person who transports or offers to transport under armed private security guard from one place to another any currency, jewels, stocks, bonds, paintings, or other valuables of any kind in a specially equipped motor vehicle that offers a high degree of security.

(6) "Board" means the board of private security patrolmen and investigators provided for in 2-15-1891.

(7) "Branch office" means any office of a licensee



1 within the state, other than its principal place of business  
 2 within the state.

3 (8) "Contract security company" means any person who  
 4 INSTALLS OR MAINTAINS A SECURITY ALARM SYSTEM, undertakes to  
 5 provide a private security guard, security-alarm-system,  
 6 alarm response runner, armored car service, street patrol  
 7 service, or armed carrier service on a contractual basis to  
 8 another person who exercises no direction and control over  
 9 the performance of the details of the services rendered.

10 (9) "Department" means the department of commerce  
 11 provided for in 2-15-1801.

12 (10) "Insurance adjuster" means a person employed by an  
 13 insurance company, other than a private investigator, who  
 14 for any consideration whatsoever conducts ~~any--of--the~~  
 15 ~~investigations enumerated-in-subsection-(13)~~ in the course  
 16 of adjusting or otherwise participating in the disposal of  
 17 any claims in connection with a policy of insurance but who  
 18 does not perform surveillance activities or investigate  
 19 crimes or wrongs committed or threatened against the United  
 20 States or any state or territory thereof.

21 (11) "Licensee" means a person licensed under this  
 22 chapter.

23 (12) "Person" includes any individual, firm, company,  
 24 association, organization, partnership, and corporation.

25 (13) "Private investigator" means a person other than

1 an insurance adjuster who for any consideration whatsoever  
 2 makes or agrees to make any investigation with reference to:

3 (a) crimes or wrongs done or threatened against the  
 4 United States or any state or territory thereof;

5 (b) the identity, habits, conduct, business,  
 6 occupation, honesty, integrity, trustworthiness, efficiency,  
 7 loyalty, activity, movement, whereabouts, affiliations,  
 8 associations, transactions, reputation, or character of any  
 9 person;

10 (c) the location, disposition, or recovery of lost or  
 11 stolen property;

12 (d) the cause or responsibility for fires, libels,  
 13 losses, accidents, or injury to persons or property; or

14 (e) securing evidence to be used before any court,  
 15 board, officer, or investigating committee.

16 (14) "Private security guard" means an individual  
 17 employed to protect a person or property or both a person  
 18 and property from criminal acts and whose duties include but  
 19 are not limited to the prevention of unlawful entry, theft,  
 20 criminal mischief, arson, or trespass on private property,  
 21 or the direction of the movements of the public in public  
 22 areas.

23 (15) "Proprietary security organization" means any  
 24 person who employs a private security guard, an alarm  
 25 response runner, armored car service, street patrol service,



1 or armed carrier service on a routine basis solely for the  
 2 purposes of that person and exerts direction and control  
 3 over the performance of the details of the service rendered.

4 (16) "Qualifying agent" means, in the case of a  
 5 corporation, a corporate employee employed in a management  
 6 capacity or, in the case of a partnership, a general or  
 7 unlimited partner meeting the qualifications set forth in  
 8 this chapter for the operation of a contract security  
 9 company, proprietary security organization, or private  
 10 investigator, whichever is applicable.

11 ~~{17} "Security alarm system" means an assembly of~~  
 12 ~~equipment and devices or a single device such as a solid~~  
 13 ~~state unit which plugs directly into a 110-volt AC line,~~  
 14 ~~designed to detect or signal or to both detect and signal~~  
 15 ~~unauthorized intrusion, movement, or criminal acts at a~~  
 16 ~~protected premises, to which signals police, private~~  
 17 ~~security guards, or alarm response runners are expected to~~  
 18 ~~respond. Fire alarm systems and alarm systems that monitor~~  
 19 ~~temperature, humidity, or any other atmospheric condition~~  
 20 ~~not directly related to the detection of an unauthorized~~  
 21 ~~intrusion or criminal act at a premises are not included~~  
 22 ~~within the meaning of this definition.~~

23 (17) "SECURITY ALARM SYSTEM" MEANS AN ASSEMBLY OF  
 24 EQUIPMENT AND DEVICES OR A SINGLE DEVICE SUCH AS A SOLID  
 25 STATE UNIT WHICH PLUGS DIRECTLY INTO A 110-VOLT AC LINE,

1 DESIGNED TO DETECT OR SIGNAL OR TO BOTH DETECT AND SIGNAL  
 2 UNAUTHORIZED INTRUSION, MOVEMENT, OR CRIMINAL ACTS AT A  
 3 PROTECTED PREMISES, TO WHICH SIGNALS POLICE, PRIVATE  
 4 SECURITY GUARDS, OR ALARM RESPONSE RUNNERS ARE EXPECTED TO  
 5 RESPOND. FIRE ALARM SYSTEMS AND ALARM SYSTEMS THAT MONITOR  
 6 TEMPERATURE, HUMIDITY, OR ANY OTHER ATMOSPHERIC CONDITION  
 7 NOT DIRECTLY RELATED TO THE DETECTION OF AN UNAUTHORIZED  
 8 INTRUSION OR CRIMINAL ACT AT A PREMISES ARE NOT INCLUDED  
 9 WITHIN THE MEANING OF THIS DEFINITION.

10 ~~{18}{17}(18) "Street patrol service" means any contract~~  
 11 ~~security company or proprietary security organization that~~  
 12 ~~uses foot patrols, motor vehicles, or any other means of~~  
 13 ~~transportation to maintain public order or detect criminal~~  
 14 ~~activities in public areas or thoroughfares.~~

15 ~~{19}{18}(19) "Unarmed private investigator" means a~~  
 16 ~~private investigator who does not wear, carry, possess, or~~  
 17 ~~have access to a firearm in the performance of his duties.~~

18 ~~{20}{19}(20) "Unarmed private security guard" means an~~  
 19 ~~individual employed by a contract security company or a~~  
 20 ~~proprietary security organization whose principal duty is~~  
 21 ~~that of a private security guard, armored car service guard,~~  
 22 ~~or alarm response runner, who does not wear, carry, possess,~~  
 23 ~~or have access to a firearm in the performance of those~~  
 24 ~~duties."~~

25 Section 2. Section 37-60-105, MCA, is amended to read:

1 "37-60-105. Exemptions. ~~This Except--as--provided-in~~  
 2 ~~37-60-305, this~~ THIS chapter does not apply to:

3 (1) any one person employed singly and exclusively by  
 4 any one employer in connection with the affairs of such  
 5 employer only and where there exists an employer-employee  
 6 relationship and the employee is unarmed, does not wear a  
 7 uniform, and ~~has little contact with~~ is GUARDING inside a  
 8 structure which at the time is not open to the public;

9 (2) an officer or employee of the United States of  
 10 America or of this state or a political subdivision thereof  
 11 while such officer or employee is engaged in the performance  
 12 of his official duties;

13 (3) a person engaged exclusively in the business of  
 14 obtaining and furnishing information as to the financial  
 15 rating of persons or as to the personal habits and financial  
 16 responsibility of applicants for insurance, indemnity bonds,  
 17 or commercial credit;

18 ~~{4}--a-charitable, philanthropic society or association~~  
 19 ~~duly incorporated under the laws of this state which is~~  
 20 ~~organized and maintained for the public good and not for~~  
 21 ~~private profit;~~

22 {5}{4} an attorney at law in performing his duties as  
 23 such attorney at law, A PARALEGAL OR LEGAL ASSISTANT  
 24 EMPLOYED BY AN ATTORNEY AT LAW, or a law student who is  
 25 servng a legal internship;

1 {6}{5} a collection agency or finance company licensed  
 2 to do business under the laws of this state, or an employee  
 3 thereof while acting within the scope of his employment,  
 4 while making an investigation incidental to the business of  
 5 the agency or company, including an investigation of the  
 6 location of a debtor or his property where the contract with  
 7 an assignor creditor is for the collection of claims owed or  
 8 due or asserted to be owed or due or the equivalent thereof;

9 {7}{6} special agents employed by railroad companies,  
 10 provided the railroad company notifies the board that such  
 11 agents are operating in the state;

12 {8}{7} insurers and agents and insurance brokers  
 13 licensed by the state, performing duties in connection with  
 14 insurance transacted by them; or

15 {9}{8} an insurance adjuster, as defined by  
 16 37-60-101(10); OR

17 {9} AN INTERNAL INVESTIGATOR OR AUDITOR, WHILE MAKING  
 18 AN INVESTIGATION INCIDENTAL TO THE BUSINESS OF THE AGENCY OR  
 19 COMPANY BY WHICH HE IS SINGULARLY EMPLOYED."

20 Section 3. Section 37-60-302, MCA, is amended to read:

21 "37-60-302. Qualifying agent and resident manager  
 22 required -- substitution -- exemption. (1) An applicant  
 23 Except as provided in subsection {4}, any ANY person not a  
 24 resident of this state who applies for a license under this  
 25 chapter, other than an individual to operate as a contract

1 security--company--or-a-private-investigator, shall, upon or  
2 before application to the board, appoint for the duration of  
3 the license: a qualifying agent and

4 ~~(a) a resident manager, for each branch office located~~  
5 ~~within--this--state,--under--whose--direct--supervision--and~~  
6 ~~control--the--business--of--the--applicant--shall--be--conducted;~~  
7 and

8 ~~(b)--a-qualifying-agent;~~

9 ~~(2) Every qualifying agent and resident manager shall~~  
10 ~~satisfy all--of the appropriate licensing requirements of~~  
11 ~~this chapter as though the applicant were an individual.~~

12 (2) A resident manager must be appointed for each  
13 branch office located in this state, and the business of the  
14 applicant or licensee must be conducted under his direct  
15 supervision and control.

16 (3) If a qualifying agent or resident manager for any  
17 reason ceases to perform the duties of a qualifying agent or  
18 resident manager on a regular basis, the licensee shall  
19 promptly notify the board by certified mail of that fact and  
20 of the name of a substitute individual, who shall make  
21 application to the board for continuation of the license.  
22 Pending application by and board action upon the application  
23 of the substitute, the board may suspend the license or  
24 extend it for a reasonable time.

25 ~~(4)--Proprietary security organizations are exempt from~~

1 the provisions of this section."

2 Section 4. Section 37-60-303, MCA, is amended to read:

3 "37-60-303. License qualifications. (1) An applicant  
4 for a license to act as a contract security company or a  
5 proprietary security organization shall submit evidence  
6 under oath that he:

7 (a) is at least 18 years of age;

8 (b) is a citizen of the United States;

9 (c) has not been convicted in any jurisdiction of any  
10 felony or any crime involving moral turpitude or illegal use  
11 or possession of a dangerous weapon, for which a full pardon  
12 or similar relief has not been granted;

13 (d) has not been judicially declared incompetent by  
14 reason of any mental defect or disease or, if so declared,  
15 has been fully restored;

16 (e) is not suffering from habitual drunkenness or from  
17 narcotics addiction or dependence;

18 (f) is of good moral character; and

19 (g) has complied with such other experience  
20 qualifications as may be set by the rules of the board.

21 (2) Every applicant for a license to act as a private  
22 investigator shall submit evidence under oath that he:

23 (a) is a citizen of the United States;

24 (b) is at least 25 21 years of age;

25 (c) has at least a high school education or its

1 equivalent;

2 ~~{d}--is-a-resident-of-this-state;~~

3 ~~{e}{d}~~ has not been convicted of a felony or a crime

4 involving moral turpitude;

5 ~~{f}{e}~~ has not been dishonorably discharged from any

6 branch of the United States military service;

7 ~~{g}{f}~~ is of good moral character; and

8 ~~{h}{g}~~ for a period of not less than 3 years:

9 (i) has been lawfully engaged in the private

10 investigative business; OR

11 (ii) has been lawfully employed as a private

12 investigator or been the holder of a certificate of

13 authority to conduct a private investigative business; or

14 (iii) has been an investigator, detective, special

15 agent, or peace officer of a city, county, or state

16 government or of the United States government; or

17 ~~{iv} has been graduated from an accredited university~~

18 ~~or college with a degree in police administration.~~

19 {3} Two years of college credit may substitute for one

20 year of experience under subsection {2}{g} and a 4-year

21 bachelor's degree may substitute for 2 years of experience

22 under subsection {2}{g} UP TO ONE-HALF OF THE EXPERIENCE

23 REQUIRED BY {2}{G} MAY BE MET BY A COMBINATION OF EDUCATION

24 AND TRAINING AS ACCEPTED BY THE BOARD. All college credits

25 must be from an accredited college or university and be

1 verified by transcript.

2 ~~{3}{4}~~ A corporation applying for a license under this

3 section must be incorporated under the laws of this state or

4 be duly qualified to do business within this state.

5 ~~{4}{5}~~ The board shall require an applicant to

6 demonstrate by written examination such additional

7 qualifications as the board may by rule require."

8 Section 5. Section 37-60-304, MCA, is amended to read:

9 "37-60-304. Licenses -- application form and content.

10 (1) Application for a license shall be made on a form

11 prescribed by the board and accompanied by the application

12 fee set by the board.

13 (2) An application shall be made under oath and shall

14 include:

15 (a) the full name and address of the applicant;

16 (b) the name under which the applicant intends to do

17 business;

18 (c) a statement as to the general nature of the

19 business in which the applicant intends to engage;

20 (d) a statement as to whether the applicant desires to

21 be licensed as a contract security company, a proprietary

22 security organization, or a private investigator;

23 (e) two recent photographs of the applicant, of a type

24 prescribed by the board, and two classifiable sets of his

25 fingerprints;

1 (f) a statement of his experience qualifications;  
 2 (g) such other information, evidence, statements, or  
 3 documents as may be prescribed by the rules of the board;  
 4 and

5 (h) if the applicant is a person other than an  
 6 individual, the full name and residence address of each of  
 7 its partners, officers, and directors and its manager and;  
 8 ~~if the applicant is a corporation, a certified copy of its~~  
 9 ~~certificate of incorporation or certificate of authority~~  
 10 ~~issued by the secretary of state.~~

11 (3) The board shall verify the statements in the  
 12 application and the applicant's moral character. The board  
 13 shall ~~send a copy of the application to~~ notify SEND WRITTEN  
 14 NOTIFICATION TO the chief of police, the sheriff, and the  
 15 county attorney in whose jurisdiction the principal office  
 16 of the applicant is to be located that an application has  
 17 been submitted."

18 Section 6. Section 37-60-305, MCA, is amended to read:

19 "37-60-305. Armed guards and investigators --  
 20 registration requirements. (1) Except as provided in  
 21 ~~37-60-105 and 37-60-105~~ AND 37-60-308, no person may perform  
 22 ~~the duties of~~ BE EMPLOYED AS an armed private security guard  
 23 or an armed private investigator in this state without  
 24 having first been registered with the board and issued a  
 25 registration card in the manner prescribed by this section.

1 (2) Applicants for registration shall file a sworn  
 2 application on a form prescribed by the board, including the  
 3 same information as required of applicants for licensure in  
 4 37-60-304(2)(a) ~~through (g)~~, and (2)(e) through (2)(g), and  
 5 ~~the name of the business~~ TYPE OF EMPLOYMENT by which the  
 6 applicant intends to be employed. The application must be  
 7 accompanied by the application fee prescribed by the board.

8 (3) Applicants for registration as armed private  
 9 security guards shall meet the same qualifications required  
 10 of applicants for licensure in 37-60-303(1)(a) through (g)  
 11 and in addition to those requirements shall:

12 (a) complete the training requirements of a private  
 13 security guard training program certified by the board and  
 14 furnish the board, on a form prescribed by the board,  
 15 written notice of satisfactory completion of such training;  
 16 and

17 (b) fulfill such other requirements as the board may  
 18 by rule prescribe.

19 (4) Applicants for registration as armed private  
 20 investigators shall meet the same qualifications required of  
 21 applicants for licensure in 37-60-303(2)(a) through (h)  
 22 ~~(2)(g)~~ and (5) and in addition to those requirements shall:

23 (a) complete the training requirements of a private  
 24 investigator training program certified by the board and  
 25 furnish the board, on a form prescribed by the board,

1 written notice of satisfactory completion of such training;  
2 and

3 (b) fulfill such other requirements as the board may  
4 by rule prescribe.

5 ~~(5)--The--exemptions--provided--in--37--60--105--do--not--apply~~  
6 ~~to--this--section--"~~

7 Section 7. Section 37-60-306, MCA, is amended to read:

8 "37-60-306. Unarmed guards and investigators --  
9 identification cards required -- qualifications. (1) Except  
10 as provided in 37-60-105 and 37-60-308, no person may  
11 ~~perform--the--duties--of~~ BE EMPLOYED AS an unarmed private  
12 security guard or an unarmed private investigator in this  
13 state without first making application to the board and  
14 being issued an identification card in the manner prescribed  
15 by this section.

16 (2) Applicants for identification cards shall file a  
17 sworn application on a form prescribed by the board,  
18 including the same information as required of licensees in  
19 37-60-304(2)(a) through (g), accompanied by the application  
20 fee prescribed by the board.

21 (3) Applicants for identification cards shall meet  
22 such qualifications as may be prescribed by the board, and  
23 APPLICANTS FOR IDENTIFICATION CARDS AS UNARMED INVESTIGATORS  
24 must demonstrate proficiency by successfully passing a  
25 written examination."

1 SECTION 8. SECTION 37-60-202, MCA, IS AMENDED TO READ:

2 "37-60-202. Rulemaking power. The board shall adopt  
3 and enforce reasonable rules:

4 (1) specifying the form of and procedure to be used in  
5 granting, denying, suspending, or revoking any license,  
6 registration, or identification card;

7 (2) fixing the qualifications of resident managers,  
8 qualifying agents, licensees, registrants, and holders of  
9 identification cards, in addition to those prescribed in  
10 this chapter, necessary to promote and protect the public  
11 welfare;

12 (3) establishing, in accordance with 37-1-134,  
13 application and examination fees for original or renewal  
14 licenses, registrations, and identification cards, and  
15 providing for refunding of any such fees;

16 (4) prohibiting the establishment of branch offices of  
17 any licensee, except a proprietary security organization,  
18 without approval by the board, establishing qualification  
19 requirements and license fees for those offices;

20 (5) for the certification of private investigator and  
21 private security guard training programs, including the  
22 certification of firearms training programs and firearms  
23 instructors;

24 (6) for the approval of weapons;

25 (7) requiring the maintenance of records;

1 (8) requiring licensees to maintain such insurance  
2 coverage as the board considers necessary;

3 (9) defining "unprofessional conduct" for the purposes  
4 of removal from the board and suspension or revocation of  
5 licenses, registrations, and identification cards;

6 (10) establishing the expiration and renewal periods  
7 for licenses, registrations, and identification cards; and

8 (11) for the temporary employment of persons without  
9 the required registration or identification cards; and

10 (12) providing for the issuance of probationary and  
11 temporary licenses for contract security companies and  
12 private investigators; and

13 (13) providing for the issuance of probationary  
14 registration and identification cards for private  
15 investigators who do not meet the requirements for age,  
16 employment experience, and written examination."

17 NEW SECTION. Section 9. Extension of authority. Any  
18 existing authority of the board of private security  
19 patrolmen and investigators and the department of commerce  
20 to make rules on the subject of the provisions of this act  
21 is extended to the provisions of this act.

22 ~~NEW SECTION.--Section 10.--Effective date.--This act is~~  
23 ~~effective on passage and approval.~~

-End-

# CONFERENCE COMMITTEE REPORT

Report No. 1

April 16 19 85

MR. SPEAKER

We, your FREE Conference Committee on  
House Bill 127, reference copy (salmon)

met and considered House Bill 127 in its entirety.

We recommend as follows:

1. Page 17, following line 16.  
 Insert: "NEW SECTION. Section 9. Installation of new security alarm systems. An electrician who has received a license from the department pursuant to 37-68-301 may install new security alarm systems under the direction of a journeyman security alarm installer, but such work performed by an electrician is subject to inspection and approval by a security alarm installer, licensed under 37-60-303."

Renumber: subsequent section.

2. Page 8, line 22.  
 Strike: "-- exemption"

And that this Conference Committee report be adopted.

FOR THE SENATE

Bob Williams  
BOB WILLIAMS, CHAIRMAN

Mike Halligan  
HALLIGAN

Robert Gage  
GAGE

ADOPT      REJECT

FOR THE HOUSE

Driscoll  
DRISCOLL

W. Glaser  
GLASER

Mike Kadas  
KADAS

Keyser  
KEYSER



1 HOUSE BILL NO. 127  
 2 INTRODUCED BY KEYSER, GOULD  
 3 BY REQUEST OF THE DEPARTMENT OF COMMERCE  
 4  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE  
 6 LAW CONCERNING PRIVATE SECURITY PATROLMEN AND INVESTIGATORS;  
 7 ~~PROVIDING COVERAGE FOR SECURITY ALARM SYSTEMS;~~ PROVIDING  
 8 COVERAGE FOR SECURITY ALARM SYSTEMS; REMOVING THE EXEMPTION  
 9 FOR CHARITABLE INSTITUTIONS; DELETING RESIDENCY  
 10 REQUIREMENTS; CLARIFYING REQUIREMENTS FOR QUALIFYING AGENTS  
 11 AND RESIDENT MANAGERS; REMOVING EXEMPTIONS FROM REGISTRATION  
 12 AS AN ARMED GUARD OR INVESTIGATOR; PROVIDING QUALIFICATIONS  
 13 FOR UNARMED PRIVATE INVESTIGATORS; AMENDING SECTIONS  
 14 37-60-101, 37-60-105, 37-60-202, AND 37-60-302 THROUGH  
 15 37-60-306, MCA; ~~AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.~~  
 16  
 17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 18 Section 1. Section 37-60-101, MCA, is amended to read:  
 19 "37-60-101. Definitions. As used in this chapter, the  
 20 following definitions apply:  
 21 (1) "Alarm response runner" means any individual  
 22 employed by a contract security company or a proprietary  
 23 security organization to respond to security alarm system  
 24 signals. ~~A person whose sole function is to maintain or~~  
 25 ~~repair a security alarm system is not included within the~~

1 ~~meaning of this definition:~~  
 2 (2) "Armed carrier service" means any person who  
 3 transports or offers to transport under armed private  
 4 security guard from one place to another any currency,  
 5 documents, papers, maps, stocks, bonds, checks, or other  
 6 items of value that require expeditious delivery.  
 7 (3) "Armed private investigator" means a private  
 8 investigator who at any time wears, carries, possesses, or  
 9 has access to a firearm in the performance of his duties.  
 10 (4) "Armed private security guard" means an individual  
 11 employed by a contract security company or a proprietary  
 12 security organization whose principal duty is that of a  
 13 security guard, armored car service guard, carrier service  
 14 guard, or alarm response runner and who at any time wears,  
 15 carries, possesses, or has access to a firearm in the  
 16 performance of his duties.  
 17 (5) "Armored car service" means any person who  
 18 transports or offers to transport under armed private  
 19 security guard from one place to another any currency,  
 20 jewels, stocks, bonds, paintings, or other valuables of any  
 21 kind in a specially equipped motor vehicle that offers a  
 22 high degree of security.  
 23 (6) "Board" means the board of private security  
 24 patrolmen and investigators provided for in 2-15-1891.  
 25 (7) "Branch office" means any office of a licensee



1 within the state, other than its principal place of business  
2 within the state.

3 (8) "Contract security company" means any person who  
4 INSTALLS OR MAINTAINS A SECURITY ALARM SYSTEM, undertakes to  
5 provide a private security guard, security-alarm-system,  
6 alarm response runner, armored car service, street patrol  
7 service, or armed carrier service on a contractual basis to  
8 another person who exercises no direction and control over  
9 the performance of the details of the services rendered.

10 (9) "Department" means the department of commerce  
11 provided for in 2-15-1801.

12 (10) "Insurance adjuster" means a person employed by an  
13 insurance company, other than a private investigator, who  
14 for any consideration whatsoever conducts ~~any--of--the~~  
15 ~~investigations enumerated-in-subsection-(13)~~ in the course  
16 of adjusting or otherwise participating in the disposal of  
17 any claims in connection with a policy of insurance but who  
18 does not perform surveillance activities or investigate  
19 crimes or wrongs committed or threatened against the United  
20 States or any state or territory thereof.

21 (11) "Licensee" means a person licensed under this  
22 chapter.

23 (12) "Person" includes any individual, firm, company,  
24 association, organization, partnership, and corporation.

25 (13) "Private investigator" means a person other than

1 an insurance adjuster who for any consideration whatsoever  
2 makes or agrees to make any investigation with reference to:

3 (a) crimes or wrongs done or threatened against the  
4 United States or any state or territory thereof;

5 (b) the identity, habits, conduct, business,  
6 occupation, honesty, integrity, trustworthiness, efficiency,  
7 loyalty, activity, movement, whereabouts, affiliations,  
8 associations, transactions, reputation, or character of any  
9 person;

10 (c) the location, disposition, or recovery of lost or  
11 stolen property;

12 (d) the cause or responsibility for fires, libels,  
13 losses, accidents, or injury to persons or property; or

14 (e) securing evidence to be used before any court,  
15 board, officer, or investigating committee.

16 (14) "Private security guard" means an individual  
17 employed to protect a person or property or both a person  
18 and property from criminal acts and whose duties include but  
19 are not limited to the prevention of unlawful entry, theft,  
20 criminal mischief, arson, or trespass on private property,  
21 or the direction of the movements of the public in public  
22 areas.

23 (15) "Proprietary security organization" means any  
24 person who employs a private security guard, an alarm  
25 response runner, armored car service, street patrol service,

1 or armed carrier service on a routine basis solely for the  
2 purposes of that person and exerts direction and control  
3 over the performance of the details of the service rendered.

4 (16) "Qualifying agent" means, in the case of a  
5 corporation, a corporate employee employed in a management  
6 capacity or, in the case of a partnership, a general or  
7 unlimited partner meeting the qualifications set forth in  
8 this chapter for the operation of a contract security  
9 company, proprietary security organization, or private  
10 investigator, whichever is applicable.

11 ~~(17) "Security alarm system" means an assembly of~~  
12 ~~equipment and devices or a single device such as a solid~~  
13 ~~state unit which plugs directly into a 110-volt AC line,~~  
14 ~~designed to detect or signal or to both detect and signal~~  
15 ~~unauthorized intrusion, movement, or criminal acts at a~~  
16 ~~protected premises, to which signals police, private~~  
17 ~~security guards, or alarm response runners are expected to~~  
18 ~~respond. Fire alarm systems and alarm systems that monitor~~  
19 ~~temperature, humidity, or any other atmospheric condition~~  
20 ~~not directly related to the detection of an unauthorized~~  
21 ~~intrusion or criminal act at a premises are not included~~  
22 ~~within the meaning of this definition.~~

23 (17) "SECURITY ALARM SYSTEM" MEANS AN ASSEMBLY OF  
24 EQUIPMENT AND DEVICES OR A SINGLE DEVICE SUCH AS A SOLID  
25 STATE UNIT WHICH PLUGS DIRECTLY INTO A 110-VOLT AC LINE,

1 DESIGNED TO DETECT OR SIGNAL OR TO BOTH DETECT AND SIGNAL  
2 UNAUTHORIZED INTRUSION, MOVEMENT, OR CRIMINAL ACTS AT A  
3 PROTECTED PREMISES, TO WHICH SIGNALS POLICE, PRIVATE  
4 SECURITY GUARDS, OR ALARM RESPONSE RUNNERS ARE EXPECTED TO  
5 RESPOND. FIRE ALARM SYSTEMS AND ALARM SYSTEMS THAT MONITOR  
6 TEMPERATURE, HUMIDITY, OR ANY OTHER ATMOSPHERIC CONDITION  
7 NOT DIRECTLY RELATED TO THE DETECTION OF AN UNAUTHORIZED  
8 INTRUSION OR CRIMINAL ACT AT A PREMISES ARE NOT INCLUDED  
9 WITHIN THE MEANING OF THIS DEFINITION.

10 ~~(18)(17)(18)~~ "Street patrol service" means any contract  
11 security company or proprietary security organization that  
12 uses foot patrols, motor vehicles, or any other means of  
13 transportation to maintain public order or detect criminal  
14 activities in public areas or thoroughfares.

15 ~~(19)(18)(19)~~ "Unarmed private investigator" means a  
16 private investigator who does not wear, carry, possess, or  
17 have access to a firearm in the performance of his duties.

18 ~~(20)(19)(20)~~ "Unarmed private security guard" means an  
19 individual employed by a contract security company or a  
20 proprietary security organization whose principal duty is  
21 that of a private security guard, armored car service guard,  
22 or alarm response runner, who does not wear, carry, possess,  
23 or have access to a firearm in the performance of those  
24 duties."

25 Section 2. Section 37-60-105, MCA, is amended to read:

1 "37-60-105. Exemptions. ~~This~~ Except--as--provided-in  
 2 37-60-305,--this THIS chapter does not apply to:

3 (1) any one person employed singly and exclusively by  
 4 any one employer in connection with the affairs of such  
 5 employer only and where there exists an employer-employee  
 6 relationship and the employee is unarmed, does not wear a  
 7 uniform, and ~~has little contact with~~ is GUARDING inside a  
 8 structure which at the time is not open to the public;

9 (2) an officer or employee of the United States of  
 10 America or of this state or a political subdivision thereof  
 11 while such officer or employee is engaged in the performance  
 12 of his official duties;

13 (3) a person engaged exclusively in the business of  
 14 obtaining and furnishing information as to the financial  
 15 rating of persons or as to the personal habits and financial  
 16 responsibility of applicants for insurance, indemnity bonds,  
 17 or commercial credit;

18 ~~(4)--a charitable, philanthropic society or association~~  
 19 ~~duty--incorporated--under--the--laws--of--this--state--which--is~~  
 20 ~~organized--and--maintained--for--the--public--good--and--not--for~~  
 21 ~~private-profit;~~

22 ~~(5)(4)~~ an attorney at law in performing his duties as  
 23 such attorney at law, A PARALEGAL OR LEGAL ASSISTANT  
 24 EMPLOYED BY AN ATTORNEY AT LAW, or a law student who is  
 25 servng a legal internship;

1 ~~(6)(5)~~ a collection agency or finance company licensed  
 2 to do business under the laws of this state, or an employee  
 3 thereof while acting within the scope of his employment,  
 4 while making an investigation incidental to the business of  
 5 the agency or company, including an investigation of the  
 6 location of a debtor or his property where the contract with  
 7 an assignor creditor is for the collection of claims owed or  
 8 due or asserted to be owed or due or the equivalent thereof;

9 ~~(7)(6)~~ special agents employed by railroad companies,  
 10 provided the railroad company notifies the board that such  
 11 agents are operating in the state;

12 ~~(8)(7)~~ insurers and agents and insurance brokers  
 13 licensed by the state, performing duties in connection with  
 14 insurance transacted by them; or

15 ~~(9)(8)~~ an insurance adjuster, as defined by  
 16 37-60-101(10); OR

17 (9) AN INTERNAL INVESTIGATOR OR AUDITOR, WHILE MAKING  
 18 AN INVESTIGATION INCIDENTAL TO THE BUSINESS OF THE AGENCY OR  
 19 COMPANY BY WHICH HE IS SINGULARLY EMPLOYED."

20 Section 3. Section 37-60-302, MCA, is amended to read:  
 21 "37-60-302. Qualifying agent and resident manager  
 22 required -- substitution ~~----~~exemption. (1) ~~An applicant~~  
 23 Except-as-provided-in-subsection-(4);-any ANY person not a  
 24 resident of this state who applies for a license under this  
 25 chapter;-other-than-an-individual-to-operate-as--a--contract

1 ~~security--company--or-a-private-investigator,~~ shall, upon or  
2 before application to the board, appoint for the duration of  
3 the license: a qualifying agent and

4 ~~(a) a resident manager, for each branch office located~~  
5 ~~within--this--state,--under--whose--direct--supervision--and~~  
6 ~~control--the--business--of--the--applicant--shall--be--conducted,~~  
7 and

8 ~~(b)--a-qualifying-agent-~~

9 (2) Every qualifying agent and resident manager shall  
10 satisfy ~~all--of~~ the appropriate licensing requirements of  
11 this chapter ~~as--though--the--applicant--were--an--individual.~~

12 (2) A resident manager must be appointed for each  
13 branch office located in this state, and the business of the  
14 applicant or licensee must be conducted under his direct  
15 supervision and control.

16 (3) If a qualifying agent or resident manager for any  
17 reason ceases to perform the duties of a qualifying agent or  
18 resident manager on a regular basis, the licensee shall  
19 promptly notify the board by certified mail of that fact and  
20 of the name of a substitute individual, who shall make  
21 application to the board for continuation of the license.  
22 Pending application by and board action upon the application  
23 of the substitute, the board may suspend the license or  
24 extend it for a reasonable time.

25 ~~(4)--Proprietary-security-organizations-are-exempt-from~~

1 the-provisions-of-this-section."

2 Section 4. Section 37-60-303, MCA, is amended to read:

3 "37-60-303. License qualifications. (1) An applicant  
4 for a license to act as a contract security company or a  
5 proprietary security organization shall submit evidence  
6 under oath that he:

7 (a) is at least 18 years of age;

8 (b) is a citizen of the United States;

9 (c) has not been convicted in any jurisdiction of any  
10 felony or any crime involving moral turpitude or illegal use  
11 or possession of a dangerous weapon, for which a full pardon  
12 or similar relief has not been granted;

13 (d) has not been judicially declared incompetent by  
14 reason of any mental defect or disease or, if so declared,  
15 has been fully restored;

16 (e) is not suffering from habitual drunkenness or from  
17 narcotics addiction or dependence;

18 (f) is of good moral character; and

19 (g) has complied with such other experience  
20 qualifications as may be set by the rules of the board.

21 (2) Every applicant for a license to act as a private  
22 investigator shall submit evidence under oath that he:

23 (a) is a citizen of the United States;

24 (b) is at least 25 21 years of age;

25 (c) has at least a high school education or its

1 equivalent;

2 ~~(d) is a resident of this state;~~

3 ~~(e)(d)~~ has not been convicted of a felony or a crime

4 involving moral turpitude;

5 ~~(f)(e)~~ has not been dishonorably discharged from any

6 branch of the United States military service;

7 ~~(g)(f)~~ is of good moral character; and

8 ~~(h)(g)~~ for a period of not less than 3 years:

9 (i) has been lawfully engaged in the private

10 investigative business; OR

11 (ii) has been lawfully employed as a private

12 investigator or been the holder of a certificate of

13 authority to conduct a private investigative business; or

14 (iii) has been an investigator, detective, special

15 agent, or peace officer of a city, county, or state

16 government or of the United States government; or,

17 ~~(iv) has been graduated from an accredited university~~

18 ~~or college with a degree in police administration;~~

19 (3) Two years of college credit may substitute for one

20 year of experience under subsection (2)(g), and a 4-year

21 bachelor's degree may substitute for 2 years of experience

22 under subsection (2)(g) UP TO ONE-HALF OF THE EXPERIENCE

23 REQUIRED BY (2)(G) MAY BE MET BY A COMBINATION OF EDUCATION

24 AND TRAINING AS ACCEPTED BY THE BOARD. All college credits

25 must be from an accredited college or university and be

1 verified by transcript.

2 ~~(3)(4)~~ A corporation applying for a license under this

3 section must be incorporated under the laws of this state or

4 be duly qualified to do business within this state.

5 ~~(4)(5)~~ The board shall require an applicant to

6 demonstrate by written examination such additional

7 qualifications as the board may by rule require."

8 Section 5. Section 37-60-304, MCA, is amended to read:

9 "37-60-304. Licenses -- application form and content.

10 (1) Application for a license shall be made on a form

11 prescribed by the board and accompanied by the application

12 fee set by the board.

13 (2) An application shall be made under oath and shall

14 include:

15 (a) the full name and address of the applicant;

16 (b) the name under which the applicant intends to do

17 business;

18 (c) a statement as to the general nature of the

19 business in which the applicant intends to engage;

20 (d) a statement as to whether the applicant desires to

21 be licensed as a contract security company, a proprietary

22 security organization, or a private investigator;

23 (e) two recent photographs of the applicant, of a type

24 prescribed by the board, and two classifiable sets of his

25 fingerprints;

1 (f) a statement of his experience qualifications;

2 (g) such other information, evidence, statements, or  
3 documents as may be prescribed by the rules of the board;  
4 and

5 (h) if the applicant is a person other than an  
6 individual, the full name and residence address of each of  
7 its partners, officers, and directors and its manager and,  
8 ~~if the applicant is a corporation, a certified copy of its~~  
9 ~~certificate of incorporation or certificate of authority~~  
10 ~~issued by the secretary of state.~~

11 (3) The board shall verify the statements in the  
12 application and the applicant's moral character. The board  
13 shall ~~send a copy of the application to~~ notify SEND WRITTEN  
14 NOTIFICATION TO the chief of police, the sheriff, and the  
15 county attorney in whose jurisdiction the principal office  
16 of the applicant is to be located that an application has  
17 been submitted."

18 Section 6. Section 37-60-305, MCA, is amended to read:

19 "37-60-305. Armed guards and investigators --  
20 registration requirements. (1) Except as provided in  
21 ~~37-60-105 and 37-60-105 AND~~ 37-60-308, no person may perform  
22 ~~the duties of~~ BE EMPLOYED AS an armed private security guard  
23 or an armed private investigator in this state without  
24 having first been registered with the board and issued a  
25 registration card in the manner prescribed by this section.

1 (2) Applicants for registration shall file a sworn  
2 application on a form prescribed by the board, including the  
3 same information as required of applicants for licensure in  
4 37-60-304(2)(a) ~~through (g)~~, and (2)(e) through (2)(g), and  
5 the name-of-the-business TYPE OF EMPLOYMENT by which the  
6 applicant intends to be employed. The application must be  
7 accompanied by the application fee prescribed by the board.

8 (3) Applicants for registration as armed private  
9 security guards shall meet the same qualifications required  
10 of applicants for licensure in 37-60-303(1)(a) through (g)  
11 and in addition to those requirements shall:

12 (a) complete the training requirements of a private  
13 security guard training program certified by the board and  
14 furnish the board, on a form prescribed by the board,  
15 written notice of satisfactory completion of such training;  
16 and

17 (b) fulfill such other requirements as the board may  
18 by rule prescribe.

19 (4) Applicants for registration as armed private  
20 investigators shall meet the same qualifications required of  
21 applicants for licensure in 37-60-303(2)(a) through ~~(h)~~  
22 (2)(g) and (5) and in addition to those requirements shall:

23 (a) complete the training requirements of a private  
24 investigator training program certified by the board and  
25 furnish the board, on a form prescribed by the board,

1 written notice of satisfactory completion of such training;  
 2 and

3 (b) fulfill such other requirements as the board may  
 4 by rule prescribe.

5 ~~(5) -- The exemptions provided in 37-60-105 do not apply~~  
 6 ~~to this section."~~

7 Section 7. Section 37-60-306, MCA, is amended to read:

8 "37-60-306. Unarmed guards and investigators --  
 9 identification cards required -- qualifications. (1) Except  
 10 as provided in 37-60-105 and 37-60-308, no person may  
 11 perform--the--duties--of BE EMPLOYED AS an unarmed private  
 12 security guard or an unarmed private investigator in this  
 13 state without first making application to the board and  
 14 being issued an identification card in the manner prescribed  
 15 by this section.

16 (2) Applicants for identification cards shall file a  
 17 sworn application on a form prescribed by the board,  
 18 including the same information as required of licensees in  
 19 37-60-304(2)(a) through (g), accompanied by the application  
 20 fee prescribed by the board.

21 (3) Applicants for identification cards shall meet  
 22 such qualifications as may be prescribed by the board, and  
 23 APPLICANTS FOR IDENTIFICATION CARDS AS UNARMED INVESTIGATORS  
 24 must demonstrate proficiency by successfully passing a  
 25 written examination."

1 SECTION 8. SECTION 37-60-202, MCA, IS AMENDED TO READ:

2 "37-60-202. Rulemaking power. The board shall adopt  
 3 and enforce reasonable rules:

4 (1) specifying the form of and procedure to be used in  
 5 granting, denying, suspending, or revoking any license,  
 6 registration, or identification card;

7 (2) fixing the qualifications of resident managers,  
 8 qualifying agents, licensees, registrants, and holders of  
 9 identification cards, in addition to those prescribed in  
 10 this chapter, necessary to promote and protect the public  
 11 welfare;

12 (3) establishing, in accordance with 37-1-134,  
 13 application and examination fees for original or renewal  
 14 licenses, registrations, and identification cards, and  
 15 providing for refunding of any such fees;

16 (4) prohibiting the establishment of branch offices of  
 17 any licensee, except a proprietary security organization,  
 18 without approval by the board, establishing qualification  
 19 requirements and license fees for those offices;

20 (5) for the certification of private investigator and  
 21 private security guard training programs, including the  
 22 certification of firearms training programs and firearms  
 23 instructors;

24 (6) for the approval of weapons;

25 (7) requiring the maintenance of records;



1 (8) requiring licensees to maintain such insurance  
2 coverage as the board considers necessary;

3 (9) defining "unprofessional conduct" for the purposes  
4 of removal from the board and suspension or revocation of  
5 licenses, registrations, and identification cards;

6 (10) establishing the expiration and renewal periods  
7 for licenses, registrations, and identification cards; and

8 (11) for the temporary employment of persons without  
9 the required registration or identification cards; and

10 (12) providing for the issuance of probationary and  
11 temporary licenses for contract security companies and  
12 private investigators; and

13 (13) providing for the issuance of probationary  
14 registration and identification cards for private  
15 investigators who do not meet the requirements for age,  
16 employment experience, and written examination."

17 NEW SECTION. SECTION 9. INSTALLATION OF NEW SECURITY  
18 ALARM SYSTEMS. AN ELECTRICIAN WHO HAS RECEIVED A LICENSE  
19 FROM THE DEPARTMENT PURSUANT TO 37-68-301 MAY INSTALL NEW  
20 SECURITY ALARM SYSTEMS UNDER THE DIRECTION OF A JOURNEYMAN  
21 SECURITY ALARM INSTALLER, BUT SUCH WORK PERFORMED BY AN  
22 ELECTRICIAN IS SUBJECT TO INSPECTION AND APPROVAL BY A  
23 SECURITY ALARM INSTALLER LICENSED UNDER 37-60-303.

24 NEW SECTION. Section 10. Extension of authority. Any  
25 existing authority of the board of private security

1 patrolmen and investigators and the department of commerce  
2 to make rules on the subject of the provisions of this act  
3 is extended to the provisions of this act.

4 ~~NEW SECTION. Section 10. Effective date. This act is~~  
5 ~~effective on passage and approval.~~

-End-