Senate Bill No. 575

(By Senators Trump, Beach, Carmichael, Ferns, Gaunch, D. Hall, Karnes, Kirkendoll, Leonhardt, Maynard, Miller, Nohe, Palumbo, Romano, Snyder, Williams and Woelfel)

[Originating in the Committee on the Judiciary; reported February 26, 2015.]

A BILL to repeal §30-18-1, §30-18-2, §30-18-3, §30-18-4, §30-18-5, §30-18-6, §30-18-7, §30-18-8, §30-18-9, §30-18-10, §30-18-11 §30-18-12 and §30-18-13 of the Code of West Virginia, 1931, as amended; and to amend said code by adding thereto a new article, designated §15-14-1, §15-14-2, §15-14-3, §15-14-4, §15-14-5, §15-14-6, §15-14-7, §15-14-8, §15-14-9, §15-14-10, §15-14-11, §15-14-12 and §15-14-13, all relating to the licensure of private investigative and security services; transferring private investigative and security services from Secretary of State to West Virginia State Police; providing for funds collected for application fees be deposited in a nonappropriated special revenue account; and expanding the authority of State Police to conduct criminal background checks.

Be it enacted by the Legislature of West Virginia:

That §30-18-1, §30-18-2, §30-18-3, §30-18-4, §30-18-5, §30-18-6, §30-18-7, §30-18-8, §30-18-9, §30-18-10, §30-18-11 §30-18-12 and §30-18-13 of the Code of West Virginia, 1931, as amended, be repealed; and that said code be amended by adding thereto a new article, designated §15-14-1, §15-14-2, §15-14-3, §15-14-4, §15-14-5, §15- 14-6, §15-14-7, §15-14-8, §15-14-9, §15-14-10, §15-14-11, §15-14-12 and §15-14-13, all to read as follows:

ARTICLE 14. PRIVATE INVESTIGATIVE AND SECURITY SERVICES.

§15-14-1. Definitions.

1 For the purposes of this article, except where the context clearly requires otherwise, the 2 following terms shall have the meanings ascribed to them: 3 (1) "Applicant" means a person who files a completed application as required by sections 4 three and six of this article to be licensed to conduct a private investigation business or a security 5 guard business. When a person other than a natural person is applying for a license, the applicant 6 shall be the person whose qualifications are presented to meet the experience or education 7 requirements of sections two or five of this article. 8 (2) "Private investigation business" means the business of doing an investigation or 9 investigations, for hire, reward or any other type of remuneration, to obtain information about: 10 (A) A crime which is alleged to have occurred or is threatened to occur; 11 (B) The habits, activities, conduct, movements, location, associations, transactions, reputation 12 or character of any person; 13 (C) The credibility of witnesses or other persons; 14 (D) The location or recovery of lost or stolen property; 15 (E) The causes or origins of any fire, accident or injury to any property, real or personal, or 16 to identify or locate any person or persons responsible for any such fire, accident or injury; 17 (F) The truth or falsity of any statement or representation, whether written or oral, or of any 18 type of depiction; 19 (G) Any matters which constitute evidence or which may lead to the discovery of evidence

1	to be used before any judicial or quasijudicial tribunal, including, but not limited to, civil or criminal
2	courts, administrative agencies, investigating committees, or boards of award or arbitration;
3	(H) The whereabouts of any missing or kidnapped person;
4	(I) The affiliation, connection or relationship of any person with any corporation or other
5	business entity, union, organization, society or association, or with any official, member or
6	representative thereof;
7	(J) Any person or persons seeking employment in the place of any employee or employees
8	who have quit work by reason of any strike; or
9	(K) The conduct, honesty, efficiency, loyalty or activities of employees, agents, contractors
10	and subcontractors.
11	(3) "Firm license" means the license held by a person whom the West Virginia State Police
12	has authorized to operate a private detective investigative firm or security guard firm after such
13	person has filed and completed an application pursuant to the application requirements contained
14	in sections three or six and has satisfied the eligibility requirements contained in sections two or five.
15	(4) "Person" means a natural person, a group of persons or individuals acting individually
16	or as a group, a corporation, company, partnership, association, society, firm, or any business
17	organization or entity organized or existing under the laws of this or any other state or country;
18	(5) (A) "Private detective" or "private investigator" means a person who is licensed pursuant
19	to the provisions of this article to conduct a private investigation business, as defined in subdivision
20	(2) of this section, and who conducts such business individually and independently from any private

detective or investigative firm;

I	(B) "Private detective" or "private investigator" does not include:
2	(i) Any individual while acting as an adjuster for an insurance company or companies;
3	(ii) Individuals employed exclusively and regularly by only one employer in connection with
4	the affairs of such employer only;
5	(iii) An officer or employee of the United States, or any law-enforcement officer of this state
6	or any political subdivision thereof, while such officer or employee is engaged in the performance
7	of his official duties or while working for a private employer in his off-duty hours;
8	(iv) Attorneys or counselors-at-law or any employee or representative of such attorney or
9	counselor;
10	(v) Any corporation duly authorized by this state to operate central burglar or fire alarm
11	protection business; or
12	(vii) Any investigator of crime appointed by a prosecuting attorney of a county pursuant to
13	the provisions of section two, article four, chapter seven of this code.
14	(6) "Private detective or investigative firm" means any private detective agency or business
15	or any investigative agency or business that is operated by a licensed private detective or investigator
16	and which employs one or more other persons who actually conduct the private investigation
17	business as defined in subdivision (2) of this section.
18	(7) (A) "Security guard" means a person who is licensed pursuant to the provisions of this
19	article to conduct a security guard business, as defined in subdivision (8) of this section, and who
20	conducts such business individually and independently from a security guard firm.
21	(B) "Security guard" does not include a person who is employed exclusively and regularly

1 by only one employer in connection with the affairs of such employer only or a person who is 2 otherwise hereinafter excluded from the requirements of this article; 3 (8) (A) "Security guard business" means the business of furnishing, for hire, reward or other remuneration, watchmen, guards, bodyguards, private patrolmen or other persons, to: 4 5 (i) Protect property, real or personal, or any person; 6 (ii) To prevent theft, unlawful taking, misappropriation or concealment of goods, wares or 7 merchandise, money, bonds, stocks, notes or other valuable documents, papers and articles of value; 8 or 9 (iii) To furnish for hire guard dogs or armored motor vehicle security services in connection 10 with the protection of persons or property; 11 (B) "Security guard business" does not include any activities or duties for which it is 12 necessary to be trained and certified as a law-enforcement officer in accordance with the provisions 13 of article twenty-nine, chapter thirty of this code. 14 (9) "Security guard firm" means any security guard agency or business that is operated by a licensed security guard and which employs one or more other persons who actually conduct a 15 16 security guard business as defined in subdivision (8) of this section. 17 §15-14-2. Eligibility requirements for license to conduct the private investigation business. 18 (a) In order to be eligible for any license to conduct the private investigation business, an 19 applicant shall: 20 (1) Be at least eighteen years of age; 21 (2) Be a citizen of the United States or an alien who is legally residing within the United

1	States;
2	(3) Not have had any previous license to conduct a private investigation business or to
3	conduct a security guard business revoked or any application for any such licenses or registrations
4	denied by the appropriate governmental authority in this or any other state or territory;
5	(4) Not have been declared incompetent by reason of mental defect or disease by any court
6	of competent jurisdiction unless a court has subsequently determined that the applicant's competency
7	has been restored;
8	(5) Not suffer from habitual drunkenness or from narcotics addiction or dependence;
9	(6) Be of good moral character;
10	(7) Have a minimum of two years of experience, education or training in any one of the
11	following areas, or some combination thereof:
12	(A) Course work that is relevant to the private investigation business at an accredited college
13	or university;
14	(B) Employment as a member of any United States government investigative agency,
15	employment as a member of a state or local law-enforcement agency or service as a sheriff;
16	(C) Employment by a licensed private investigative or detective agency for the purpose of
17	conducting the private investigation business;
18	(D) Service as a magistrate in this state; or
19	(E) Any other substantially equivalent training or experience;
20	(8) Not have been convicted of a felony in this state or any other state or territory;
21	(9) Not have been convicted of any of the following:

1	(A) Illegally using, carrying or possessing a pistol or other dangerous weapon;
2	(B) Making or possessing burglar's instruments;
3	(C) Buying or receiving stolen property;
4	(D) Entering a building unlawfully;
5	(E) Aiding an inmate's escape from prison;
6	(F) Possessing or distributing illicit drugs;
7	(G) Any misdemeanor involving moral turpitude or for which dishonesty of character is a
8	necessary element; and
9	(10) Not have violated any provision of section eight of this article.
10	The provisions of this section shall not prevent the issuance of a license to any person who,
11	subsequent to his or her conviction, shall have received an executive pardon therefor, removing this
12	disability.
13	(b) Any person who qualifies for a private investigator's license shall also be qualified to
14	conduct security guard business upon notifying the West Virginia State Police in writing that the
15	person will be conducting such business.
16	(c) No person may be employed as a licensed private investigator while serving as magistrate.
17	§15-14-3. Application requirements for a license to conduct the private investigation business.
18	(a) To be licensed to be a private detective, a private investigator or to operate a private
19	detective or investigative firm, each applicant shall complete and file a written application, under
20	oath, with the West Virginia State Police and in such form as the West Virginia State Police may
21	prescribe.

(b) On the application each applicant shall provide the following information: The applicant's
name, birth date, citizenship, physical description, military service, current residence, residences for
the preceding seven years, qualifying education or experience, the location of each of his or her
offices in this state and any other information requested by the West Virginia State Police in order
to comply with the requirements of this article.

- (c) In the case of a corporation that is seeking a firm license, the application shall be signed by the president, and verified by the secretary or treasurer of such corporation and shall specify the name of the corporation, the date and place of its incorporation, the names and titles of all officers, the location of its principal place of business, and the name of the city, town or village, stating the street and number, and otherwise such apt description as will reasonably indicate the location. If the corporation has been incorporated in a state other than West Virginia, a certificate of good standing from the state of incorporation must accompany the application. This information must be provided in addition to that required to be provided by the applicant.
 - (d) The applicant shall provide:

- (1) Information in the application about whether the applicant has ever been arrested for or convicted of any crime or wrongs, either done or threatened, against the government of the United States;
 - (2) Information about offenses against the laws of West Virginia or any state; and
- 19 (3) Any facts as may be required by the West Virginia State Police to show the good character, competency and integrity of the applicant.
- To qualify for a firm license, the applicant shall provide such information for each person

- who will be authorized to conduct the private investigation business and for each officer, member or partner of the firm.
- (e) As part of the application, each applicant shall give the West Virginia State Police
 permission to review the records held by the Division of Public Safety for any convictions that may
 be on record for the applicant.
 - (f) For each applicant for a license and for each officer, member and partner of the firm applying for a license, the application shall be accompanied by one recent full-face photograph and one complete set of the person's fingerprints.
 - (g) For each applicant, the application shall be accompanied by:

- (1) Character references from at least five reputable citizens. Each reference must have known the applicant for at least five years preceding the application. No reference may be connected to the applicant by blood or marriage. All references must have been written for the purpose of the application for a license to conduct the private investigation business; and
- (2) A nonrefundable application processing service charge of \$50, which shall be payable to the West Virginia State Police to offset the cost of license review and criminal investigation background report from the Division of Public Safety, along with a license fee of \$100 if the applicant is an individual, or \$200 if the applicant is a firm, or \$500 if the applicant is a nonresident of West Virginia or a foreign corporation or business entity. The license fee shall refunded only if the license is denied.
- (h) All applicants for private detective or private investigator licenses or for private investigation firm licenses shall file in the office of West Virginia State Police a surety bond. Such

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- 2 (1) Be in the sum of \$2,500 and conditioned upon the faithful and honest conduct of such 3 business by such applicant;
 - (2) Be written by a company recognized and approved by the Insurance Commissioner of West Virginia and approved by the Attorney General of West Virginia with respect to its form;
 - (3) Be in favor of the state of West Virginia for any person who is damaged by any violation of this article. The bond must also be in favor of any person damaged by such a violation.
 - (i) Any person claiming against the bond required by subsection (h) of this section for a violation of this article may maintain an action at law against any licensed individual or firm and against the surety. The surety shall be liable only for damages awarded under section twelve of this article and not the punitive damages permitted under that section. The aggregate liability of the surety to all persons damaged by a person or firm licensed under this article may not exceed the amount of the bond.

14 §15-14-4. Requirements for employees conducting the private investigation business under a

firm license.

(a) Any person who has a private detective firm or investigative firm license shall be responsible for supervising any employee or other individual who conducts the private investigation business under the authority of such person's firm license, regardless of whether such employee or other individual receives compensation for conducting such business. Such supervision shall include providing any education or training that is reasonably necessary to ensure compliance with the requirements of this article.

1	(b) Any employee or individual who conducts the private investigation business under the
2	authority of a private detective or investigative firm license shall:
3	(1) Satisfy the requirements of section two of this article, except that such person need not
4	satisfy the education and training requirements contained in subdivision (7), section two of this
5	article; and
6	(2) Authorize the West Virginia State Police to review the records held by the Division of
7	Public Safety for any convictions that may be on record for such employee or individual.
8	(c) A holder of a private detective or investigative firm license is prohibited from authorizing
9	any individual or employee to conduct a private investigation business if such individual does not
10	comply with the requirements of this section.
11	(d) For every employee or individual who conducts the business of private investigation
12	under the authority of a private detective or investigative firm license, the holder of such license
13	must maintain a recent full-face photograph and one complete set of fingerprints on file at such firm's
14	central business location in this state. Upon request, the holder of the firm license must release the
15	photographs and fingerprints to the West Virginia State Police.
16	§15-14-5. Eligibility requirements to be licensed to conduct security guard business.
17	In order to be eligible for any license to conduct security guard business, an applicant shall:
18	(1) Be at least eighteen years of age;
19	(2) Be a citizen of the United states or an alien who is legally residing within the United
20	States;
21	(3) Not have had any previous license to conduct security guard business or to conduct the

1	private investigation business revoked or any application for any such licenses or registrations denied
2	by the appropriate governmental authority in this or any other state or territory;
3	(4) Not have been declared incompetent by reason of mental defect or disease by any court
4	of competent jurisdiction unless said court has subsequently determined that the applicant's
5	competency has been restored;
6	(5) Not suffer from habitual drunkenness or from narcotics addiction or dependence;
7	(6) Be of good moral character;
8	(7) Have had at least one year verified, full-time employment conducting security guard
9	business or conducting the private investigation business working for a licensed firm or have one
10	year of substantially equivalent training or experience;
11	(8) Not have been convicted of a felony in this state or any other state or territory;
12	(9) Not have been convicted of any of the following:
13	(A) Illegally using, carrying or possessing a pistol or other dangerous weapon;
14	(B) Making or possessing burglar's instruments;
15	(C) Buying or receiving stolen property;
16	(D) Entering a building unlawfully;
17	(E) Aiding an inmate's escape from prison;
18	(F) Possessing or distributing illicit drugs;
19	(G) Any misdemeanor involving moral turpitude or for which dishonesty of character is a
20	necessary element; and
21	(10) Not having violated any provision of section eight of this article.

- The provisions of this section shall not prevent the issuance of a license to any person who, subsequent to his conviction, shall have received an executive pardon therefor, removing this disability.
- 4 §15-14-6. Application requirements for a license to conduct security guard business.
 - (a) To be licensed as a security guard or to operate a security guard firm, each applicant shall complete and file a written application, under oath, with the West Virginia State Police and in such form as the West Virginia State Police may prescribe.
 - (b) On the application, each applicant shall provide the following information: The applicant's name, birth date, citizenship, physical description, military service, current residence, residences for the preceding seven years, qualifying education or experience, the location of each of his or her offices in this state and any other information requested by the West Virginia State Police in order to comply with the requirements of this article.
 - (c) In the case of a corporation that is seeking a firm license, the application shall be signed by the president and verified by the secretary or treasurer of such corporation and shall specify the name of the corporation, the date and place of its incorporation, the names and titles of all officers, the location of its principal place of business, and the name of the city, town or village, stating the street and number, and otherwise such apt description as will reasonably indicate the location. If the corporation has been incorporated in a state other than West Virginia, a certificate of good standing from the state of incorporation must accompany the application. This information shall be provided in addition to that required to be provided the applicant.
 - (d) The applicant shall provide:

1	(1) Information in the application about whether the applicant has ever been arrested for or
2	convicted of any crime or wrongs, either done or threatened, against the government of the United
3	States;
4	(2) Information about offenses against the laws of West Virginia or any state; and
5	(3) Any facts as may be required by the West Virginia State Police to show the good
6	character, competency and integrity of the applicant.
7	To qualify for a firm license, the applicant shall provide such information for each person
8	who would be authorized to conduct security guard business under the applicant's firm license and
9	for each officer, member or partner in the firm.
10	(e) As part of the application, each applicant shall give the West Virginia State Police
11	permission to review the records held by the Division of Public Safety for any convictions that may
12	be on record for the applicant.
13	(f) For each applicant for a license and for each officer, member and partner of the firm
14	applying for a license, the application shall be accompanied by one recent full-face photograph and
15	one complete set of the person's fingerprints.
16	(g) For each applicant, the application shall be accompanied by:
17	(1) Character references from at least five reputable citizens. Each reference must have
18	known the applicant for at least five years preceding the application. No reference may be connected
19	to the applicant by blood or marriage. All references must have been written for the purpose of the
20	application for a license to conduct security guard business; and
21	(2) A nonrefundable application processing service charge of \$50, which shall be payable to

- 1 the West Virginia State Police to offset the cost of license review and criminal investigation
- 2 background report from the department of public safety, along with a license fee of \$100 if the
- 3 applicant is an individual, or \$200 if the applicant is a firm, or \$500 if the applicant is a nonresident
- 4 of West Virginia or a foreign corporation or business entity. The license fee shall refunded only if
- 5 the license is denied.

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- 6 (h) All applicants for security guard licenses or security guard firm licenses shall file in the 7 office of West Virginia State Police a surety bond. Such bond shall:
- 8 (1) Be in the sum of \$2,500 and conditioned upon the faithful and honest conduct of such 9 business by such applicant;
- 10 (2) Be written by a company recognized and approved by the Insurance Commissioner of West Virginia and approved by the Attorney General of West Virginia with respect to its form;
 - (3) Be in favor of the state of West Virginia for any person who is damaged by any violation of this article. The bond must also be in favor of any person damaged by such a violation.
 - (i) Any person claiming against the bond required by subsection (h) of this section for a violation of this article may maintain an action at law against any licensed individual or firm and against the surety. The surety shall be liable only for damages awarded under section twelve of this article and not the punitive damages permitted under that section. The aggregate liability of the surety to all persons damaged by a person or firm licensed under this article may not exceed the amount of the bond.
- 20 §15-14-7. Requirements for employees conducting security guard business under a firm 21 license.

- (a) Any person who has a security guard firm license shall be responsible for supervising any employee or other individual who conducts security guard business under the authority of such person's firm license, regardless of whether such employee or other individual receives compensation for conducting such business. Such supervision shall include providing any education or training that is reasonably necessary to ensure compliance with the requirements of this article.
 - (b) Any employee or individual who conducts security guard business under the authority of a firm license shall:
 - (1) Satisfy the requirements of section five of this article, except that such person need not satisfy the prior employment requirements contained in subdivision (7), section five of this article; and
 - (2) Authorize the West Virginia State Police to review the records held by the Division of Public Safety for any convictions that may be on record for such employee or individual.
 - (c) A holder of a security guard firm license is prohibited from authorizing any individual or employee to conduct security guard business if such individual does not comply with the requirements of this section.
 - (d) For every employee or individual who conducts security guard business under the authority of a security guard firm license, the holder of such license must maintain a recent full-face photograph and one complete set of fingerprints on file at such firm's central business location in this state. Upon request, the holder of the firm license must release the photographs and fingerprints to the West Virginia State Police.

§15-14-8. Prohibitions.

1	(a) No person shall engage in the private investigation business or security guard business
2	without having first obtained from the West Virginia State Police a license to conduct such business.
3	(b) All licensed persons, including private detectives, private investigators, security guards,
4	private detective or investigative firms and security guard firms, are prohibited from transferring
5	their licenses to an unlicensed person, firm or agency. This prohibition includes contracting or
6	subcontracting with an unlicensed person, firm or agency to conduct the private investigation
7	business or security guard business.
8	(c) It is unlawful for any person subject to the provisions of this article to knowingly commit
9	any of the following:
10	(1) Employ any individual to perform the duties of an employee who has not first complied
11	with all provisions of this article and the adopted regulations;
12	(2) Falsely represent that a person is the holder of a valid license;
13	(3) Make a false report with respect to any matter with which he or she is employed;
14	(4) Divulge any information acquired from or for a client to persons other than the client or
15	his or her authorized agent without express authorization to do so or unless required by law;
16	(5) Accept employment which includes obtaining information intended for illegal purposes;
17	(6) Authorize or permit another person to violate any provision of this article or any rule of
18	the West Virginia State Police adopted for this article.
19	§15-14-9. Renewal of license.
20	A license granted under the provisions of this article shall be in effect for one year from the
21	date the certificate of license is issued and may be renewed for a period of one year by the West

- 1 Virginia State Police upon application, in such form as the West Virginia State Police may prescribe,
- 2 and upon payment of the fee and the filing of the surety bond. At the time of applying for renewal
- 3 of a license, the West Virginia State Police may require any person to provide additional information
- 4 to reflect any changes in the original application or any previous renewal.

§15-14-10. Authority of West Virginia State Police.

- 6 (a) When the West Virginia State Police shall be satisfied as to the good character,
- 7 competency and integrity of an applicant, of all employees or individuals conducting the private
- 8 investigation business or security guard services under a firm license and, if the applicant is a firm,
- 9 of each member, officer or partner he shall issue and deliver to such applicant a certificate of license.
- 10 Each license issued shall be for a period of one year and shall be revocable at all times for cause
- shown pursuant to subsection (b) of this section or any rules promulgated pursuant thereto.
- 12 (b) The West Virginia State Police shall have the authority to propose for promulgation in
- accordance with the provisions of chapter twenty-nine-a of this code such legislative rules as may
- be necessary for the administration and enforcement of this article and for the issuance, suspension
- and revocation of licenses issued under the provisions of this article. The West Virginia State Police
- shall afford any applicant an opportunity to be heard in person or by counsel when a determination
- 17 is made to deny, revoke or suspend any such applicant's license or application for license, including
- a renewal of a license. Such applicant shall have fifteen days from the date of receiving written
- 19 notice of the West Virginia State Police's adverse determination to request a hearing on the matter
- 20 of denial, suspension or revocation. The action of the West Virginia State Police in granting,
- 21 renewing, or in refusing to grant or to renew, a license shall be subject to review by the circuit court

- 1 of Kanawha County or other court of competent jurisdiction.
- 2 (c) At any hearing before the West Virginia State Police to challenge an adverse
- 3 determination by the West Virginia State Police on the matter of a denial, suspension or revocation
- 4 of a license, if the adverse determination is based upon a conviction for a crime which would bar
- 5 licensure under the provisions of this article, the hearing shall be an identity hearing only and the
- 6 sole issue which may be contested is whether the person whose application is denied or whose
 - license is suspended or revoked is the same person convicted of the crime.
- 8 (d) In the course of determining an applicant's eligibility to be a private investigator or
- 9 security guard, the West Virginia State Police shall request each applicant submit a full set of
- 10 fingerprints for the purpose of conducting a criminal history record check. Records shall be checked
- through the criminal identification bureau of the West Virginia State Police and the United States
- 12 Federal Bureau of Investigation for a national criminal history record check, by paragraph (2),
- 13 subsection (g), section three of this article or paragraph (2), subsection (g), section six of this article
- 14 to ensure the applicants are not disqualified by reason of committing a felony in this state or any
- 15 other state.

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16 **§15-14-11. Penalties.**

- 17 (a) Any person, licensed or unlicensed, who violates any of the provisions of this article is
- 18 guilty of a misdemeanor and, upon conviction, shall be fined not less than \$100 nor more than
- 19 \$5,000 or be confined in jail for not more than one year, or both.
- 20 (b) In the case of a violation of subsection (a), section eight of this article, a fine is assessed
- by the court for each day that an individual conducted the private investigation business or security

- 1 guard business. In the case of a firm license, the fine is based on each day that the private
- 2 investigative or security services were provided multiplied by the number of unauthorized persons
- 3 providing those services.
- **4** §15-14-12. Action for damages.
- 5 Any individual who is injured by a violation of this article may bring an action for recovery
- 6 of damages, including punitive damages plus reasonable attorney's fees and court costs.
- **7** §15-14-13. Disposition of fees.
- 8 All fees collected hereunder by the West Virginia State Police shall be deposited in a
- 9 nonappropriated special revenue account.