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FISCAL IMPACT REPORT

ORIGINAL DATE 2/15/07

SPONSOR Stewart LAST UPDATED _____ HB 1142

SHORT TITLE Private Investigators and Polygrapher Regulation SB _____

ANALYST C. Sanchez

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non- Rec	Fund Affected
Total	none	Indeterminable	Indeterminable	Indeterminable	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

Boards and Commissions (BC)

SUMMARY

Synopsis of Bill

House Bill 1142 will amend Section 61-27A NMSA 1978 the Private Investigator and Polygraphers Act. The bill provides licensing changes for private investigators and private patrol operators, also known as security guards.

Specifically, the bill will:

- (1) Require private patrol companies to hire security guards to maintain general liability insurance in case an individual is hurt by a security guard's negligence;
- (2) Allow each security guard to own his own guard card thereby allowing him to seek employment as he chooses. Under current Act, the employer owns the guards cards. A separate application for a card must be submitted by each employer for every security guard employed;
- (3) Create 3 levels of licensure for security guards based on the experience and qualifications of the guards. However, every guard currently licensed will be grandfathered into the highest level for which they qualified prior to enactment of the proposed legislation;
- (4) Provide for continuing education for all guards to help make sure the guard is properly trained for the job they have been hired to do;
- (5) Require security guards to complete a minimum of 16 hours of training before serving on a post of duty for the first time at their level of licensure;
- (6) Allow an employer to provide in-house training approved by the Private Investigator Board, or allow employees to seek training from a school or facility approved by the Board;
- (7) Allow non-resident security guards to obtain a special event permit to work in the state for a limited period of time to provide guard services for special events.

FISCAL IMPLICATIONS

The Act, as amended under HB 1142, will require additional training for individuals who seek to be licensed as Private Investigators or Private Patrol Operators.

The bill allows the Board to conduct national background checks on prospective licensees before issuing a license to investigate, patrol or carry weapons.

It has been over 10 years since any major amendments have been made to the Private Investigators and Polygraphers Act and that there have been many technological changes in the way in which private patrol operators and private investigators perform their duties.

The Act, as amended, will create a three-tiered licensure program for security guards, associating level of training and experience with each level of licensure.

1. A Level One security guard will be an unarmed, entry-level guard trained to perform basic guard duties;
2. A Level Two security guard will be armed with a knight stick or other defense mechanism, but not permitted to carry a firearm; and
3. A Level Three security guard will be able to perform the duties and responsibilities of a Level One and Level Two security guard, and carry a firearm.

Under the current law, the company that hires the security guards also owns the "guard cards." Each time a security guard changed employers they also have to apply for and receive a new security guard registration. The proposed legislation will create increased security guard mobility and more guard flexibility within the profession.

Each private investigation company must maintain a \$10,000 surety bond, unless the private investigation company also provides personal protection or body guarding services. In those instances, the private investigation company must also maintain a general liability policy.

Private patrol operator companies must maintain general liability insurance.

SIGNIFICANT ISSUES

Over the past few years, the board has become aware of incidents resulted in the death or injury of a security guard or a citizen because of an improperly trained or unregistered security guards. HB 1142 will create an effective protocol for licensing and registering individuals as security guards and/or private investigators.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The Regulation and Licensing Department will continue to issue all licenses pursuant to the provisions of the current Private Investigators and Polygraphers Act.

CS/nt