



## **BIENNIAL REPORT OF LICENSING BOARD**

**BOARD:** Private Detective and Protective Agent Services Board

**LOCATION(S):** 1430 Maryland Avenue East  
St. Paul, MN 55106

**STATUTORY AUTHORITY:** MN SS 326.32 - 326.339

**REPORT PERIOD:** July 1, 2008 to June 30, 2010

**SUBMITTED BY:** Marie Ohman, Executive Director

**PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD**  
**General Statement of Board Activities**  
**FY 09 - FY 10**

This five member board administers the licensing, regulatory and compliance provisions of MN SS 326.32 to 326.339. The board is an independent regulatory activity, receiving administrative service assistance from the Department of Public Safety.

The board meets monthly and in special session to carry out the licensing and regulatory functions.

LICENSING FUNCTIONS: The board is empowered to grant two kinds of licenses.

- 1) **PRIVATE DETECTIVE:** Authorizes the recipient; an individual, partnership or corporation, to engage in the business of contract investigative and security services.
  
- 2) **PROTECTIVE AGENT:** Authorizes the recipient; and individual, partnership or corporation, to engage in the business of contract security and protection services.

The board accepts applications for both license categories. The procedure of application is three-fold: submission of application, background investigation and oral interview with the licensing board.

After the investigation has been completed, a personal interview is held with each applicant. If a license is granted, it is valid for a two-year period. In the event that an application would be denied, the applicant is entitled to appeal the board's decision through an administrative hearing.

The Executive Director investigates complaints that have been referred to the Complaint Committee of the board. Resolution of complaints are arrived at following investigation of irregularities in the financial, professional and legal conduct of the license holder's business as it impacts on the consumer and broader citizen community. Disciplinary actions, fact finding hearings, license restrictions, education, administrative penalties, license revocations and suspension are the board's responsibility.

The administrative rules of the board (7506.0100 - 7506.2700), refers to definitions, procedural processes, training particulars and violations/discipline.

**PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD**

## **General Statement of Board Activities FY 09 - FY 10**

### **TRENDS IN THE FIELDS:**

Both Private Investigation and Security Services do continue to grow. That rate of growth continues to have a faster pace than public law enforcement. For instance, nationally the ratio of private security personnel to public law enforcement is estimated to be 3 to 1. Events of September 11, 2001 and subsequent concerns for terrorism awareness and large scale events have created an increased need for such services. A national estimate is that more than 80% of our country's critical infrastructure is protected by security personnel, rather than law enforcement. Previously it was common for public law enforcement to respond to non-crime related situations. However, as times change and new variables are accounted for, the increased calls for service, limited budgets, and fewer additional personnel have had a significant growth impact on the private sector, who is been taking over traditional law enforcement tasks. Studies have shown that there will be an accelerated opportunity for contract services to continue to assume more criminal justice activities in the new century. Such progress has also influenced partnerships between the public and private sector services concerning public safety.

The continued growth of these service fields calls for the maintenance of a sound regulatory program, and continued enhancement. Minnesota experiences an annual growth in these services; demonstrating significant expenditure for these services, a consistent and strong employing field, as well as sustaining revenues for these services. This regulatory authority balances the aspects of ensuring public trust and confidence if these services are upheld, and the knowledge that regulation should not be unduly intrusive.

Private investigation and security are increasing their role and responsibility in our communities. They are involved in matters of:

- > crime prevention,
- > personal and business protection, and
- > investigation into crime that might otherwise go unaddressed, as well as civil disputes.

There has been a significant increase in work place crime, an increase in community fear of crime, and an increased awareness of the use of private security and its cost effectiveness. Yet, spending for public protection has decreased. The community demands a program that ensures qualified companies offering these protection services; and a responsive agency when there are abuses in power and failure to maintain standards of conduct.

**PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD**  
**Board Employees**  
**FY 09 - FY 10**

NAME	JOB CLASSIFICATION/TITLE	STATUS	DATES OF SERVICE
Marie Ohman	Executive Director	FT	7/25/84 to Present
Shannon Foley	OASI	PT	11/14/07 to 12/9/09

**Board Members and Meetings Attended  
FY 09 - FY 10**

\* This board is comprised of five statutory members. The length of a member's term is four years. Appointment to the Board is made by the Commissioner of Public Safety.

<b>NAME/ADDRESS</b>	<b>OCCUPATION</b>	<b>APPOINTMENT</b>	<b>MEETINGS</b>
Tim O'Malley 1430 Maryland Ave E St. Paul, MN 55106	Bureau of Criminal Apprehension	On-going	20 Regular
Steve Wohlman Knight Security, Inc. 222 East Park Avenue P.O. Box 739 Renville, MN 56284	Licensed – Protective Agent	8/97 to 1/01 1/01 to 1/05 1/05 to 1/09	23 Regular
Patrick Skelly 4279 Hawksbury Circle Eagan, MN 55123	Attorney – Public Citizen	12/00 to 1/02 1/02 to 1/06 1/06 to 12/09	5 Regular
James Hessel 11382 Louisiana Circle Bloomington, MN 554438	Licensed – Private Detective	5/02 to 1/04 1/04 to 1/08 1/08 to 1/12	23 Regular
Patricia Moen 1907 Grand Avenue St. Paul, MN 55105	Management Analyst for Dept. of Corrections– Public Citizen	4/03 to 1/05 1/05 to 1/09	19 Regular
Thomas Spence 52 Cliff Cove Road Schroeder, MN 55613	Attorney	1/10 to Present	16 Regular

**PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD**  
**Receipt and Disbursements of Board Funds**  
**FY 09 - FY 10**

	<b>FY 09</b>	<b>FY 10</b>	<b>TOTAL</b>
Total State Appropriation	\$ 132,000	\$ 123,000	\$ 255,000
Total Non-Dedicated Fee Receipts	\$ 162,000	\$ 119,000	\$ 281,000
<b>TOTAL DISBURSEMENTS</b>	<b>\$ 129,930</b>	<b>\$ 89,660</b>	<b>\$ 219,590</b>

All figures in thousands of dollars.

Laws of 2007, Chapter 54, Article 1, Section 12.  
Laws of 2007, Chapter 148, Article 1, Section 31.  
Laws of 2009, Chapter 83, Article 1, Section 12.

**PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD**  
**Brief Summary of Board Rules Proposed or Adopted**  
**FY 09 - FY 10**

The board had no proposed or adopted rules during this time.

**PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD**  
**Number/Types of Licenses Issued**  
**FY 09 - FY 10**

<b>PRIVATE DETECTIVE/INVESTIGATOR FOR FEE</b>		
<b>FY 09</b>	Individual	5
	Partnership	0
	Corporation/LLC	12
<b>TOTAL ISSUED FY 09</b>		17
<b>FY 10</b>	Individual	1
	Partnership	0
	Corporation/LLC	8
<b>TOTAL ISSUED FY 10</b>		9

<b>PROTECTIVE AGENT FOR FEE</b>		
<b>FY 09</b>	Individual	1
	Partnership	0
	Corporation/LLC	9
<b>TOTAL ISSUED FY 09</b>		10
<b>FY 10</b>	Individual	0
	Partnership	0
	Corporation/LLC	9
<b>TOTAL ISSUED FY 10</b>		9

\*\* It should be noted that these numbers do not represent the number of persons employed or working in these industries, but those businesses that have been licensed by the regulatory board. Pursuant to statute, license holders may hire any number of employees to work for them under the aegis of their license. The license holder must ensure that state and federal criminal history record checks are performed; identification issued, and is at all times responsible for the conduct and supervision of their employees.

**PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD**  
**Number of Persons Previously Licensed Whose License Was:**

**Revoked, Suspended, or Status Altered  
FY 09 - FY 10**

**Number of Out-of State Licenses (of new licenses issued)**

Private Detective/Protective Agent <b>FY 09</b>	9
Private Detective/Protective Agent <b>FY 10</b>	11
<b>TOTAL</b>	20

**Reissued Licenses - FY 09 -**   106   private detective licenses  
    24   protective agent licenses  
**FY 10 -**     82   private detective licenses  
    31   protective agent licenses

**Changes to qualifying positions on a license - FY 09 -**   17   **FY 10 -**   15  

**Lapsed Licenses - FY 09 -**     17   **FY 10 -**     1  

**Revoked - FY 09 -**     0   **FY 10 -**     0  

**License Applications Denied:**

PRIVATE DETECTIVE <u>  or  </u> PROTECTIVE AGENT FOR FEE		
<b>FY 09</b>	Individual	None
	Partnership	None
	Corporation	None
<b>TOTAL DENIED</b>		None
<b>FY 10</b>	Individual	None
	Partnership	None
	Corporation	None
<b>TOTAL DENIED</b>		None

\*The above is not representative of the numbers of applicants who determine that they will withdraw their application for license prior to the board voting to deny.

**PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD  
Complaint Activity**



**FY 09 - FY 10**

**Summary**

**Disposition**

**FY 09**

1. Failure to comply with training	Letter of Education & Conciliation
2. Failure to comply with training & criminal history checks and identification card issuance	Letter of Education & Conciliation
3. Solicitation and providing services without prior to license issuance	\$1,800.00 Administrative Penalty
4. Failure to provide notice of change in officer, comply with training.	\$499.00 Administrative Penalty
5. Failure to comply with training	Letter of Education & Conciliation
6. Failure to maintain proof of financial responsibility	\$100.00 Administrative Penalty
7. Failure to comply with training training.	Letter of Education & Conciliation
8. Failure to provide notice of change in officer, failure to fully comply with training	\$50.00 Administrative Penalty
9. Failure to comply with training	Letter of Education & Conciliation
10. Failure to comply with training	\$50.00 Administrative Penalty
11. Continued failure to comply with training.	\$199.00 Administrative Penalty
12. Failure to comply with training	\$99.00 Administrative Penalty
13. Failure to respond to Board communication	\$ 250.00 Administrative Penalty
14. Failure to comply with training	\$250.00 Administrative Penalty
15. Failure to comply with training	\$250.00 Administrative Penalty
16. Failure to respond to Board communication	\$100.00 Administrative Penalty
17. Failure to maintain proof of financial responsibility	\$350.00 Administrative Penalty
18. Failure to comply with training	\$50.00 Administrative Penalty
19. Failure to comply with training	\$100.00 Administrative Penalty
20. Failure to comply with training	\$100.00 Administrative Penalty

21. Failure to comply with training	\$100.00 Administrative Penalty
22. Failure to comply with training	\$200.00 Administrative Penalty
23. Failure to comply with training	Letter of Education & Conciliation
24. Failure to comply with training	Letter of Education & Conciliation
25. Failure to provide notice of change in officer	\$50.00 Administrative Penalty
26. Failure to provide acceptable oversight & management	Letter of Education & Conciliation
27. Failure to comply with training	Letter of Education & Conciliation
28. Failure to comply with training	Letter of Education & Conciliation
29. Failure to maintain proof of financial responsibility	\$50.00 Administrative Penalty
30. Failure to comply with training	\$100.00 Administrative Penalty
31. Failure to comply with training	\$100.00 Administrative Penalty
32. Failure to comply with training	\$50.00 Administrative Penalty
33. Failure to maintain proof of financial responsibility	Letter of Education & Conciliation
34. Failure to comply with training	Letter of Education & Conciliation
35. Failure to file a timely application for change in license status	Letter of Education & Conciliation
36. Failure to comply with training & criminal history record checks	\$100.00 Administrative Penalty
37. Failure to comply with training	Letter of Education & Conciliation
38. Failure to comply with training	Letter of Education & Conciliation
39. Failure to comply with training	Letter of Education & Conciliation
40. Failure to comply with training	Letter of Education & Conciliation
41. Failure to notice of location change	Letter of Education & Conciliation
42. Failure to comply with training	\$100.00 Administrative Penalty
43. Failure to comply with training and criminal history record checks	\$100.00 Administrative Penalty

- |   |                                    |
|---|------------------------------------|
| 44. Failure to comply with training & criminal history record checks    | Letter of Education & Conciliation |
| 45. Failure to comply with training & criminal history checks           | Letter of Education & Conciliation |
| 46. Failure to notify of change in location and to comply with training | Letter of Education & Conciliation |

**FY 10**

- |  |                                    |
|--|------------------------------------|
| 1. Failure to comply with training   | Letter of Education & Conciliation |
| 2. Failure to comply with training   | Letter of Education & Conciliation |
| 3. Failure to notify of change in location & failure to respond to communication | Letter of Education & Conciliation |
| 4. Failure to notify of change in location                                       | Letter of Education & Conciliation |
| 5. Failure to notify of change in location                                       | Letter of Education & Conciliation |
| 6. Failure to notify of change in location                                       | Letter of Education & Conciliation |
| 7. Failure to comply with training & criminal history record checks              | Letter of Education & Conciliation |
| 8. Failure to comply with training & criminal history record checks              | Letter of Education & Conciliation |
| 9. Failure to comply with training and criminal history record checks            | \$200.00 Administrative Penalty    |
| 10. Failure to comply with training & criminal history record checks             | \$100.00 Administrative Penalty    |
| 11. Failure to comply with training  | \$50.00 Administrative Penalty     |
| 12. Failure to comply with training & criminal history record checks             | Letter of Education & Conciliation |
| 13. Failure to comply with training & criminal history record checks             | \$200.00 Administrative Penalty    |
| 14. Failure to comply with training  | Letter of Education & Conciliation |
| 15. Failure to comply with training  | Letter of Education & Conciliation |
| 16. Failure to comply with training  | Letter of Education & Conciliation |

17. Failure to comply with training	\$250.00 Administrative Penalty
18. Failure to respond to reissuance, failure to comply training	Letter of Education & Conciliation
19. Failure to comply with training	Letter of Education & Conciliation
20. Failure to comply with training	Letter of Education & Conciliation
21. Failure to comply with training	Letter of Education & Conciliation
22. Failure to comply with training	\$200.00 Administrative Penalty
23. Failure to comply with training, criminal history record checks and issuance of identification	Letter of Education & Conciliation
24. Failure to comply with training, criminal history record checks and issuance of identification	\$350.00 Administrative Penalty
25. Failure to provide notice of change in officer & failure to respond to Board communication	\$300.00 Administrative Penalty
26. Failure to provide notice of location change	Letter of Education & Conciliation
27. Failure to comply with training	\$200.00 Administrative Penalty
28. Failure to comply with training	Letter of Education & Conciliation
29. Failure to comply with training, failure to provide notice of change in officer	\$200.00 Administrative Penalty
30. Failure to notify of a change in officer	Letter of Education & Conciliation
31. Failure to comply with criminal history record checks	\$50.00 Administrative Penalty
32. Failure to notice and application on a change in officers	\$100.00 Administrative Penalty
33. Failure to comply with training, criminal history record checks and issuance of identification	\$499.00 Administrative Penalty
34. Facilitation of unlicensed activity and failure to provide notice of change in location	\$250.00 Administrative Penalty
END	