

# SENATE BILL No. 929

December 13, 2001, Introduced by Senator HOFFMAN and referred to the Committee on Appropriations.

A bill to amend 1965 PA 285, entitled "Private detective license act of 1965," by amending the title and sections 2, 3, 5, 6, 7, 9, 10, 11, 12, 13, 16, 17, 18, 22, 23, 24, 25, 26, 27, 28, and 31 (MCL 338.822, 338.823, 338.825, 338.826, 338.827, 338.829, 338.830, 338.831, 338.832, 338.833, 338.836, 338.837, 338.838, 338.842, 338.843, 338.844, 338.845, 338.846, 338.847, 338.848, and 338.851.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

TITLE

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An act to license and regulate private detectives and investigators; ~~to provide penalties for violations~~ TO PROVIDE FOR CERTAIN POWERS AND DUTIES FOR CERTAIN STATE AGENCIES; TO PROVIDE FOR THE IMPOSITION FOR CERTAIN FEES; to protect the general public against unauthorized, unlicensed and unethical operations by private detectives and private investigators; TO PROVIDE FOR

1 PENALTIES AND REMEDIES; and to repeal ~~certain~~ acts and parts of  
2 acts.

3 Sec. 2. As used in this act:

4 ~~(a) "Good moral character" means good moral character as~~  
5 ~~defined and determined under Act No. 381 of the Public Acts of~~  
6 ~~1974, as amended, being sections 338.41 to 338.47 of the Michigan~~  
7 ~~Compiled Laws.~~

8 (A) "DEPARTMENT" MEANS THE MICHIGAN DEPARTMENT OF STATE  
9 POLICE.

10 (b) "Private detective" or "private investigator" means a  
11 person, other than an insurance adjuster who is on salary and  
12 employed by an insurance company, who, for a fee, reward, or  
13 other consideration, engages in business or accepts employment to  
14 furnish, or subcontracts or agrees to make, or makes an investi-  
15 gation for the purpose of obtaining information with reference to  
16 any of the following:

17 (i) Crimes or wrongs done or threatened against the United  
18 States or a state or territory of the United States.

19 (ii) The identity, habits, conduct, business, occupation,  
20 honesty, integrity, credibility, trustworthiness, efficiency,  
21 loyalty, activity, movement, whereabouts, affiliations, associa-  
22 tions, transactions, acts, reputation, or character of a person.

23 (iii) The location, disposition, or recovery of lost or  
24 stolen property.

25 (iv) The cause or responsibility for fires, libels, losses,  
26 accidents, or damage or injury to persons or property.

1 (v) Securing evidence to be used before a court, board,  
2 officer, or investigating committee.

3 (c) "Insurance adjuster" means a person other than a private  
4 detective or private investigator who, for a consideration,  
5 engages in the activities ~~enumerated~~ DESCRIBED in subdivision  
6 (b) in the course of adjusting or otherwise participating in the  
7 disposal of claims under or in connection with a policy of  
8 insurance. ~~An "insurance adjuster" is one~~ INSURANCE ADJUSTER  
9 INCLUDES A PERSON who is employed on a salary basis by an insur-  
10 ance company; a person, firm, partnership, company, LIMITED  
11 LIABILITY COMPANY, or corporation who acts for insurance com-  
12 panies solely in the capacity of a claim adjuster, a person,  
13 firm, partnership, company, LIMITED LIABILITY COMPANY, or corpo-  
14 ration engaged in the business of public adjuster acting for  
15 claimants in securing adjustments of claims against insurance  
16 companies and who does not perform investigative services includ-  
17 ing surveillance activities.

18 (d) "Licensee" means a person licensed under this act.

19 Sec. 3. (1) A person, firm, partnership, company, LIMITED  
20 LIABILITY COMPANY, or corporation shall not engage in the busi-  
21 ness of private detective or investigator for hire, fee or  
22 reward, ~~nor~~ AND SHALL NOT advertise his OR HER business to be  
23 that of detective or of a detective agency ~~,~~ without first  
24 obtaining a license from the department. ~~of state police.~~

25 (2) A person, firm, partnership, company, LIMITED LIABILITY  
26 COMPANY, or corporation shall not engage in the business of  
27 furnishing or supplying, for hire and reward, information as to

1 the personal character of any person or firm, or as to the  
2 character or kind of business and occupation of any person, firm,  
3 partnership, company, LIMITED LIABILITY COMPANY, or corporation  
4 ~~;~~ nor AND shall ~~he~~ NOT own, conduct, or maintain a bureau or  
5 agency for the ~~above mentioned~~ purposes ~~,~~ DESCRIBED IN THIS  
6 SUBSECTION except as to the financial rating of persons, firms,  
7 partnerships, companies, LIMITED LIABILITY COMPANIES, or corpora-  
8 tions ~~,~~ without having first obtained a license from the  
9 department. ~~of state police. Violation of~~

10 (3) A PERSON VIOLATING this section is ~~a misdemeanor~~  
11 GUILTY OF A FELONY punishable by imprisonment for not more than  
12 ~~90 days~~ 4 YEARS or by a fine of not more than ~~\$1,000.00~~  
13 \$5,000.00, or both.

14 Sec. 5. (1) The ~~secretary of state~~ DEPARTMENT, upon  
15 ~~proper~~ application and ~~upon being satisfied~~ AFTER MAKING A  
16 DETERMINATION that the applicant is ~~entitled to receive same~~  
17 QUALIFIED, shall issue the applicant a license to conduct busi-  
18 ness as a private detective or private investigator for a period  
19 of 2 years from date of issuance.

20 (2) Upon the issuance of a license UNDER THIS ACT to conduct  
21 business as a private detective or private investigator, the  
22 applicant ~~shall~~ IS not ~~be~~ required to obtain any other  
23 license from any municipality or political subdivision of this  
24 state.

25 Sec. 6. (1) The ~~secretary of state~~ DEPARTMENT shall issue  
26 a license to conduct business as a private detective or private  
27 investigator if ~~the secretary is~~ satisfied that the applicant

1 is a person, or if a firm, partnership, company, LIMITED  
 2 LIABILITY COMPANY, or corporation, the sole or principal license  
 3 holder is a person who meets all of the following  
 4 qualifications:

5 (a) Is a citizen of the United States.

6 (b) Is not less than 25 years of age.

7 ~~(c) Is of good moral character.~~

8 (C) ~~(d)~~ Has a high school education or its equivalent.

9 ~~(e) Is a resident of this state.~~

10 (D) ~~(f)~~ Has not been convicted of a felony, or A misde-  
 11 meanor involving ~~dishonesty~~ ANY OF THE FOLLOWING:

12 (i) DISHONESTY or fraud. ~~, unauthorized~~

13 (ii) UNAUTHORIZED divulging or selling of information or  
 14 evidence. ~~, impersonation~~

15 (iii) IMPERSONATION of a law enforcement officer or employee  
 16 of the United States or a state, or a political subdivision of  
 17 ~~either, or of illegally~~ THE UNITED STATES OR A STATE.

18 (iv) ILLEGALLY using, carrying, or possessing a dangerous  
 19 weapon.

20 (v) Two or more alcohol related offenses.

21 (vi) Controlled substances under the public health code,  
 22 1978 PA 368, MCL 333.1101 to 333.25211.

23 (vii) An assault.

24 (E) ~~(g)~~ Has not been dishonorably discharged from a branch  
 25 of the United States military service.

26 (F) ~~(h)~~ For a period of not less than 3 years has been or  
 27 is any of the following:

1 (i) Lawfully engaged in the private detective business on  
2 his or her own account IN ANOTHER STATE.

3 (ii) Lawfully engaged in the private detective business as  
4 an investigative employee of the holder of a certificate of  
5 authority to conduct a detective agency.

6 (iii) An investigator, detective, special agent, or  
7 CERTIFIED police officer of a city, county, or state government  
8 or of the United States government.

9 (iv) ~~Is a~~ A graduate with a BACCALAUREATE degree in the  
10 field of police administration OR CRIMINAL JUSTICE from an  
11 accredited university or college ACCEPTABLE TO THE DEPARTMENT.

12 (G) ~~(i)~~ Has posted with the ~~secretary of state~~  
13 DEPARTMENT a bond provided for in this act.

14 (2) In the case of a person, firm, partnership, company,  
15 LIMITED LIABILITY COMPANY, or corporation now doing or seeking to  
16 do business in this state, the resident manager shall comply with  
17 the qualifications of this section.

18 Sec. 7. (1) The ~~secretary of state~~ DEPARTMENT shall pre-  
19 pare a standard uniform application. ~~, and shall require the~~  
20 ~~person filing application to~~ THE APPLICANT SHALL obtain nota-  
21 rized reference statements from at least 5 reputable citizens who  
22 swear that they ~~know~~ HAVE KNOWN the applicant and his OR HER  
23 qualifications ~~, and have so known the applicant~~ for a period  
24 of at least 5 years ~~, and that prior to the filing of the appli-~~  
25 ~~cation they have read it and believe each of the statements~~  
26 ~~therein to be true~~ and BELIEVE that the applicant is honest, of  
27 good character, and competent. ~~, and~~ THE INDIVIDUAL PROVIDING

1 THE REFERENCE SHALL not BE related or connected to the person so  
2 certifying by blood or marriage.

3 (2) Upon receipt of the application AND LICENSE FEE AS  
4 DESCRIBED IN SECTION 9, the ~~secretary of state~~ DEPARTMENT shall  
5 investigate as to the ~~truth and veracity of the statements and~~  
6 ~~the applicant's reputation for truth, honesty, integrity and eth-~~  
7 ~~ical dealing~~ APPLICANT'S QUALIFICATIONS FOR LICENSURE.

8 (3) The application and investigation ~~shall~~ ARE not ~~be~~  
9 CONSIDERED complete until the applicant has received the approval  
10 of the prosecuting attorney and the sheriff of the county within  
11 which the principal office of the applicant is to be located. If  
12 the office is to be located in a city, TOWNSHIP, or village, the  
13 approval of the chief of police may be obtained instead of the  
14 sheriff.

15 Sec. 9. (1) The ~~secretary of state~~ DEPARTMENT, when sat-  
16 isfied of the ~~good character,~~ competency and integrity of the  
17 applicant, or if the applicant is a firm, partnership, COMPANY,  
18 LIMITED LIABILITY COMPANY, or corporation, of ~~the~~ ITS individ-  
19 ual members or officers, ~~thereof,~~ shall issue to the applicant  
20 a ~~certificate of~~ license upon the applicant's paying to the  
21 ~~secretary of state~~ DEPARTMENT for each ~~certificate of~~ license  
22 a fee of ~~-\$100.00~~ \$500.00 if a person, or ~~-\$200.00~~ \$1,000.00 if  
23 a firm, partnership, COMPANY, LIMITED LIABILITY COMPANY, or cor-  
24 poration, and upon the applicant's executing, delivering, and  
25 filing ~~in the office of the secretary of state~~ WITH THE  
26 DEPARTMENT a bond in the sum of ~~-\$5,000.00 if a person, or~~  
27 ~~\$10,000.00 if a firm, partnership or corporation~~ \$10,000.00,

1 conditioned for the faithful and honest conduct of ~~such~~ THE  
2 business by ~~such~~ THE applicant, which bond shall be approved by  
3 the ~~secretary of state~~ DEPARTMENT. The license ~~shall be~~ IS  
4 valid for 2 years ~~,~~ but ~~shall be revocable~~ IS SUBJECT TO SUS-  
5 PENSION OR REVOCATION at all times by the ~~secretary of state~~  
6 DEPARTMENT for cause shown. The bonds shall be taken in the name  
7 of the people of the state, and any person injured by the wilful,  
8 malicious and wrongful act of the principal may bring an action  
9 on the bond OR INSURANCE in his OR HER own name to recover dam-  
10 ages suffered by reason of such ~~wilful~~ WILLFUL, malicious, and  
11 wrongful act. IN LIEU OF A BOND, THE APPLICANT MAY FURNISH A  
12 POLICY OF INSURANCE ISSUED BY AN INSURER AUTHORIZED TO DO BUSI-  
13 NESS IN THIS STATE NAMING THE LICENSEE AND THE STATE AS  
14 CO-INSURED IN THE AMOUNT OF \$10,000.00 FOR PROPERTY DAMAGES,  
15 \$100,000.00 FOR INJURY OR DEATH OF 1 PERSON, AND \$200,000.00 FOR  
16 INJURIES TO OR DEATHS OF MORE THAN 1 PERSON ARISING OUT OF THE  
17 OPERATION OF THE LICENSED ACTIVITY. The license ~~certificate~~  
18 shall be in a form to be prescribed by the ~~secretary of state~~  
19 DEPARTMENT and shall specify the full name of the applicant, the  
20 location of the principal office or place of business and the  
21 location of the bureau, agency, subagency, office or branch  
22 office for which the license is issued, the EXPIRATION date, ~~of~~  
23 ~~which it will expire~~ and the name of the person filing the  
24 statement required by this act upon which the license is issued.

25 (2) ~~If a~~ A licensee ~~desires~~ DESIRING to open a branch  
26 office or subagency ~~, he may~~ SHALL receive a ~~certificate of~~  
27 license for that branch or subagency upon payment to the



1 ~~secretary of state~~ DEPARTMENT of an additional fee of ~~-\$25.00-~~  
2 \$125.00 for each additional license. The additional license  
3 shall be posted in a conspicuous place in the branch office or  
4 subagency and ~~shall expire concurrent with~~ EXPIRES ON the date  
5 of the initial license.

6 (3) If the license is SUSPENDED OR revoked ~~or terminated~~  
7 for any cause, ~~no~~ THE DEPARTMENT SHALL NOT refund ~~shall be~~  
8 ~~made of~~ the license fees or any part ~~thereof~~ OF THE LICENSE  
9 FEES.

10 (4) FEES COLLECTED BY THE DEPARTMENT UNDER THIS SECTION  
11 SHALL BE DEPOSITED INTO THE SECURITY BUSINESS FUND CREATED IN  
12 SECTION 9 OF THE PRIVATE SECURITY BUSINESS AND SECURITY ALARM  
13 ACT, 1968 PA 330, MCL 338.1059, AND SHALL BE USED TO ENFORCE AND  
14 ADMINISTER THIS ACT.

15 Sec. 10. (1) The ~~secretary of state~~ DEPARTMENT may  
16 SUSPEND OR revoke a license issued under this act if the  
17 ~~secretary~~ DEPARTMENT determines ~~, upon good cause shown,~~ that  
18 the licensee or licensee's manager, if an individual, or if the  
19 licensee is a person other than an individual, that an officer,  
20 director, partner, or its manager, has DONE ANY OF THE  
21 FOLLOWING:

22 (a) Made false statements or given false information in con-  
23 nection with an application for a license or a renewal or rein-  
24 statement of a license.

25 (b) Violated this act OR ANY RULE PROMULGATED UNDER THIS  
26 ACT.

1 (c) Been convicted of a felony or misdemeanor involving  
 2 dishonesty or fraud, unauthorized divulging or selling of  
 3 information or evidence. ~~,~~

4 (D) BEEN CONVICTED OF impersonation of a law enforcement  
 5 officer or employee of the United States or a state, or a politi-  
 6 cal subdivision of ~~either,~~ THE UNITED STATES OR A STATE.

7 (E) BEEN CONVICTED of illegally using, carrying, or possess-  
 8 ing a dangerous weapon. ~~, or is not of good moral character.~~

9 (2) Upon notification from the ~~secretary of state~~  
 10 DEPARTMENT of the SUSPENSION OR revocation of the license, the  
 11 licensee, within 24 hours, shall surrender to the ~~secretary of~~  
 12 ~~state~~ DEPARTMENT the ~~certificate of~~ license and his or her  
 13 identification card. Failure to ~~comply with the directions of~~  
 14 ~~the secretary of state~~ SURRENDER THE LICENSE IN COMPLIANCE WITH  
 15 THIS SUBSECTION is a misdemeanor.

16 Sec. 11. ~~A~~ THE DEPARTMENT SHALL NOT REFUND A license fee  
 17 ~~shall not be refunded~~ unless a showing is made of  
 18 ~~ineligibility to receive the license by failure to meet the~~  
 19 ~~requirements of this act, or by a showing of~~ mistake, inadver-  
 20 tence, or error in the collection of the fee.

21 Sec. 12. Upon receipt of a certificate of license from the  
 22 ~~secretary of state~~ DEPARTMENT, the licensee shall post it in a  
 23 conspicuous place in his OR HER office.

24 Sec. 13. Any change in the name or location of the agency  
 25 or of a branch office or subagency shall be reported to the  
 26 ~~secretary of state~~ DEPARTMENT at least 30 days ~~prior to~~  
 27 BEFORE the change ~~becoming~~ BECOMES effective. ~~, upon~~ UPON

1 receipt of ~~which the secretary of state~~ THE NOTICE OF CHANGE OF  
2 NAME OR LOCATION, THE DEPARTMENT shall prepare and forward a  
3 ~~certificate~~ LICENSE showing the change ~~,~~ and the licensee  
4 shall return ~~his~~ THE old ~~certificate~~ LICENSE within 3 busi-  
5 ness days after the change.

6       Sec. 16. (1) ~~No~~ A person shall ~~manufacture~~ NOT POSSESS  
7 OR DISPLAY a badge or shield ~~which~~ THAT purports to indicate  
8 that the holder is a ~~licensed~~ private detective. ~~,~~ nor shall  
9 ~~any person print identification cards or certificates of license~~  
10 ~~to do business as a private detective without first having~~  
11 ~~obtained the express authorization of the secretary of state.~~  
12 ~~No~~

13       (2) A LICENSEE MAY REQUEST AUTHORIZATION TO PROVIDE EMPLOYEE  
14 IDENTIFICATION CARDS ONLY UPON THE EXPRESS AUTHORIZATION OF THE  
15 DEPARTMENT AS TO FORMAT AND CONTENT.

16       (3) A person shall NOT display ~~for sale~~ any badge, shield,  
17 identification card, or ~~certificate of~~ license ~~,~~ by which the  
18 ~~purchaser~~ THAT might mislead the public into thinking that the  
19 holder is a licensed detective. ~~No person, company, individual~~  
20 ~~or business shall distribute a badge, shield, identification card~~  
21 ~~or certificate of license in this state except the secretary of~~  
22 ~~state. No person shall knowingly buy or receive from any source~~  
23 ~~any form of spurious identification as a private detective. Any~~  
24 ~~violation of~~

25       (4) A PERSON WHO VIOLATES this section is GUILTY OF a misde-  
26 meanor ~~,~~ and any unauthorized badge, shield, identification  
27 card, or ~~certificate of~~ license shall be confiscated by any law

1 enforcement officer of the state. Each day the violation  
2 continues shall constitute a separate offense.

3       Sec. 17. (1) A licensee may employ as many persons as ~~he~~  
4 ~~deems~~ CONSIDERED necessary to assist ~~him~~ in his OR HER work of  
5 detective and in the conduct of ~~his~~ THE business. ~~—, and at~~ AT  
6 all times during the employment, THE LICENSEE shall be account-  
7 able for the good conduct in the business of each person so  
8 employed.

9       (2) A licensee shall keep adequate and complete records of  
10 all persons ~~employed by him~~ HE OR SHE EMPLOYS, which records  
11 shall be made available to the ~~secretary of state~~ DEPARTMENT  
12 upon request and to police authorities if the police authorities  
13 offer legitimate proof for the request in connection with a spe-  
14 cific need.

15       (3) If a licensee falsely states or represents that a person  
16 is or has been in his OR HER employ, the false statement or rep-  
17 resentation shall be sufficient cause for the SUSPENSION OR revo-  
18 cation of the license. Any person falsely stating or represent-  
19 ing that he OR SHE is or has been a detective or employed by a  
20 detective agency ~~—,~~ is guilty of a misdemeanor.

21       (4) A LICENSEE SHALL NOT KNOWINGLY EMPLOY ANY PERSON WHO  
22 DOES NOT MEET THE REQUIREMENTS OF THIS ACT.

23       (5) THE LICENSEE SHALL CAUSE FINGERPRINTS TO BE TAKEN OF ALL  
24 PROSPECTIVE EMPLOYEES, WHICH FINGERPRINTS SHALL BE SUBMITTED TO  
25 THE DEPARTMENT AND THE FEDERAL BUREAU OF INVESTIGATION FOR PRO-  
26 CESSING AND APPROVAL.

1 (6) THE FINGERPRINTS REQUIRED TO BE TAKEN UNDER  
2 SUBSECTION (5) MAY BE TAKEN BY A LAW ENFORCEMENT AGENCY OR ANY  
3 OTHER PERSON DETERMINED BY THE DEPARTMENT TO BE QUALIFIED TO TAKE  
4 FINGERPRINTS. THE LICENSEE SHALL SUBMIT A FINGERPRINT PROCESSING  
5 FEE TO THE DEPARTMENT IN ACCORDANCE WITH SECTION 3 OF 1935 PA  
6 120, MCL 28.273, AS WELL AS ANY COSTS IMPOSED BY THE FEDERAL  
7 BUREAU OF INVESTIGATION. A LICENSEE SHALL NOT HIRE AN EMPLOYEE  
8 BEFORE OBTAINING FINGERPRINT CLEARANCE.

9 Sec. 18. (1) ~~No~~ A licensee shall NOT knowingly employ any  
10 person who has been convicted of a felony, or ~~high misdemeanor~~  
11 ~~or any crime involving moral turpitude. The licensee shall cause~~  
12 ~~fingerprints to be taken and processed by the local law enforce=~~  
13 ~~ment agency of all prospective employees to assist him in his~~  
14 ~~work as a private detective.~~ A MISDEMEANOR INVOLVING ANY OF THE  
15 FOLLOWING:

16 (A) DISHONESTY OR FRAUD.

17 (B) UNAUTHORIZED DIVULGING OR SELLING OF INFORMATION OR  
18 EVIDENCE.

19 (C) IMPERSONATION OF A LAW ENFORCEMENT OFFICER OR EMPLOYEE  
20 OF THE UNITED STATES, THIS STATE, OR A POLITICAL SUBDIVISION OF  
21 THIS STATE.

22 (D) ILLEGALLY USING, CARRYING, OR POSSESSING A DANGEROUS  
23 WEAPON.

24 (E) TWO OR MORE ALCOHOL RELATED OFFENSES.

25 (F) CONTROLLED SUBSTANCES UNDER THE PUBLIC HEALTH CODE, 1978  
26 PA 368, MCL 333.1101 TO 333.25211.

1 (G) AN ASSAULT.

2 (2) Any employee or operator who, upon demand, fails to  
3 surrender to the licensee his OR HER identification card and any  
4 other property issued to him OR HER for use in connection with  
5 his OR HER employer's business ~~—~~ is guilty of a misdemeanor.

6 Sec. 22. (1) ~~Every~~ AN advertisement by a licensee solici-  
7 ting or advertising for business shall contain his OR HER name  
8 and address as they appear in the records of the ~~secretary of~~  
9 ~~state~~ DEPARTMENT.

10 (2) ~~Any~~ A licensee shall, on notice from the ~~secretary of~~  
11 ~~state~~ DEPARTMENT, discontinue any advertising or the use of any  
12 advertisement, seal, or card, ~~which in the opinion of the secre-~~  
13 ~~tary of state may tend to mislead~~ THAT THE DEPARTMENT DETERMINES  
14 TO BE MISLEADING TO the public. Failure to comply with ~~any~~  
15 such AN order ~~of the secretary of state shall be~~ IS cause for  
16 SUSPENSION OR revocation of the license. ~~of such licensee.~~

17 (3) ~~No person, unless he is~~ UNLESS licensed under this  
18 act, A PERSON shall NOT advertise his OR HER business to be that  
19 of a private detective ~~irrespective~~ REGARDLESS of the name or  
20 title actually used.

21 Sec. 23. ~~No~~ A licensee shall NOT use any designation or  
22 trade name which has not been first approved by the ~~secretary of~~  
23 ~~state, nor shall any licensee~~ DEPARTMENT AND SHALL NOT use any  
24 designation or trade name ~~which~~ THAT implies any association  
25 with any municipal, county, TOWNSHIP, or state government or the  
26 federal government, or any agency thereof.

1           Sec. 24. (1) Each person, partnership, firm, COMPANY,  
2 LIMITED LIABILITY COMPANY, or corporation licensed and operating  
3 under ~~the provisions of~~ this act shall ~~be required to~~ make a  
4 complete written record of the business transactions and reports  
5 made in connection with the operation of the agency. ~~When any~~

6           (2) A detective or detective agency THAT receives OR  
7 GENERATES a ~~verbal~~ WRITTEN OR ELECTRONIC report ~~from one of~~  
8 ~~his or its agents, a summary shall be made of such verbal report~~  
9 ~~and this summary, together with written reports, shall be kept~~  
10 SHALL KEEP THE REPORT on file in the office of the detective or  
11 agency for at least 2 years ~~, excepting if~~ UNLESS THE file is  
12 returned to the client or agent.

13           Sec. 25. (1) For the purpose of investigating the charac-  
14 ter, competency, and integrity of the applicants, or for the pur-  
15 pose of investigating complaints made against the licensee, the  
16 ~~secretary of state~~ DIRECTOR OF THE DEPARTMENT may issue subpoe-  
17 nas and compel the attendance of witnesses. All subpoenas shall  
18 be issued under the hand of the ~~secretary of state,~~ DIRECTOR OF  
19 THE DEPARTMENT and upon service ~~thereof~~ the witness shall be  
20 tendered the fees to which he OR SHE would be entitled to receive  
21 ~~were he~~ IF subpoenaed in a court of law. ~~If a~~

22           (2) A person duly subpoenaed WHO fails to obey the subpoena  
23 ~~,~~ or, without cause, refuses to be examined or to answer any  
24 legal or pertinent questions as to the character, qualifications,  
25 or alleged misdeeds of the applicant or licensee ~~, the witness~~  
26 is guilty of a misdemeanor.

1 (3) The testimony of such witnesses shall be under oath,  
2 which ~~the secretary of state~~ A DESIGNEE OF THE DIRECTOR OF THE  
3 DEPARTMENT may administer. ~~Wilful~~ WILLFUL false swearing in  
4 any such proceeding ~~shall be deemed~~ IS CONSIDERED perjury.

5 Sec. 26. (1) A license granted under ~~the provisions of~~  
6 this act may be renewed ~~by the secretary of state~~ upon applica-  
7 tion ~~therefor by the licensee,~~ and the payment of a renewal fee  
8 of ~~\$50.00~~ \$500.00 if a person, or of ~~\$200.00~~ \$1,000.00 if a  
9 firm, partnership, company, LIMITED LIABILITY COMPANY, or corpo-  
10 ration ~~,~~ and filing of a renewal surety bond OR LIABILITY  
11 INSURANCE POLICY in the amount equivalent to that specified in  
12 section 9. ~~of this act.~~

13 (2) A renewal license shall be dated as of the expiration  
14 date of the previously existing license. For the renewal of a  
15 license, the licensee shall submit an application in such form as  
16 prescribed by the ~~secretary of state,~~ and a license shall be  
17 issued forthwith, ~~except that the secretary of state~~  
18 DEPARTMENT. UPON RECEIPT OF A COMPLETED APPLICATION, PAYMENT OF  
19 THE RENEWAL, AND PROOF ACCEPTABLE TO THE DEPARTMENT OF BOND OR  
20 INSURANCE, THE DEPARTMENT SHALL RENEW A LICENSE. THE DEPARTMENT  
21 may defer the renewal if there are uninvestigated complaints then  
22 outstanding against the licensee or if there is a criminal com-  
23 plaint then pending against the licensee. The renewal applica-  
24 tion shall be approved by the sheriff or chief of police and the  
25 prosecuting attorney, as required for an initial license.

26 (3) FEES COLLECTED UNDER THIS SECTION SHALL BE DEPOSITED  
27 INTO THE SECURITY BUSINESS FUND CREATED IN SECTION 9 OF THE



1 PRIVATE SECURITY BUSINESS AND SECURITY ALARM ACT, 1968 PA 330,  
2 MCL 338.1059, AND SHALL BE USED TO ENFORCE AND ADMINISTER THIS  
3 ACT.

4       Sec. 27. (1) Upon the death of ~~an individual of whose~~  
5 ~~qualifications a license under this act has been obtained~~ A  
6 LICENSEE, the business ~~with which~~ OF the decedent ~~was~~  
7 ~~connected~~ may be carried on for a period of 90 days by ANY OF  
8 the following:

9       (a) In the case of an individual licensee, the surviving  
10 spouse, or if there ~~be~~ IS none, the ~~executor or administrator~~  
11 PERSONAL REPRESENTATIVE of the estate of the decedent. ~~;~~

12       (b) ~~in~~ IN the case of a partner, the surviving partners.  
13 ~~;~~

14       (c) ~~in~~ IN case of an officer of a firm, company, associa-  
15 tion, ~~organization~~ LIMITED LIABILITY COMPANY, or corporation,  
16 the officers. ~~thereof.~~

17       (2) Within 10 days following the death of a licensee, the  
18 ~~secretary of state~~ DEPARTMENT shall be notified BY A PERSON  
19 DESCRIBED IN SUBSECTION (1) in writing. ~~Such~~ THE notification  
20 shall state the name of the person legally authorized to carry on  
21 the business of the deceased.

22       (3) Upon the authorization of the ~~secretary of state~~  
23 DEPARTMENT, the business may be carried on for a further period  
24 of time when necessary to complete any investigation or assist in  
25 any litigation pending at the death of the decedent.

26       (4) ~~Nothing in this~~ THIS section ~~authorizes~~ DOES NOT  
27 AUTHORIZE the solicitation or acceptance of any business after

1 the death of the decedent except as otherwise provided by this  
2 act.

3 (5) ~~Nothing in this~~ THIS section shall NOT be construed to  
4 restrict the sale of a private detective business ~~,~~ if the  
5 vendee qualifies for a license under the provisions of this act.

6 Sec. 28. (1) The ~~secretary of state~~ DEPARTMENT may employ  
7 such agents as are necessary to carry out ~~the provisions of this~~  
8 ~~act~~ and to enforce ~~compliance therewith~~ THIS ACT.

9 (2) The ~~secretary of state~~ DIRECTOR OF THE DEPARTMENT and  
10 ~~each agent employed by him~~ HIS OR HER AGENTS, in respect to  
11 violations of ~~any of the provisions of~~ this act, ~~has~~ HAVE all  
12 the powers of a peace officer. ~~All rules and regulations of the~~  
13 ~~secretary of state shall be made in accordance with the provi-~~  
14 ~~sions of Act No. 88 of the Public Acts of 1943, as amended,~~  
15 ~~being sections 24.71 to 24.80 of the Compiled Laws of 1948, and~~  
16 ~~subject to Act No. 197 of the Public Acts of 1952, as amended,~~  
17 ~~being sections 24.101 to 24.110 of the Compiled Laws of 1948.~~

18 (3) THE DEPARTMENT MAY PROMULGATE RULES TO ENFORCE AND  
19 ADMINISTER THIS ACT PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT  
20 OF 1969, 1969 PA 306, MCL 24.201 TO 24.328.

21 Sec. 31. A licensee, manager, or employee of a licensee who  
22 violates this act OR A RULE PROMULGATED UNDER THIS ACT is guilty  
23 of a misdemeanor ~~,~~ punishable by imprisonment for not more than  
24 90 days or by a fine of not more than ~~\$100.00~~ \$500.00, or  
25 both.

1        Enacting section 1. This amendatory act does not take  
2 effect unless Senate Bill No. 425 of the 91st Legislature is  
3 enacted into law.