

HOUSE BILL No. 4273

February 22, 1989, Introduced by Reps. Joe Young, Jr., Joe Young, Sr., Wallace and Saunders and referred to the Committee on State Affairs.

A bill to amend the title and sections 2, 4, 5, 6, 7, 9, 10, 12, 13, 14, 16, 17, 18, 20, 21, 22, 23, 25, 26, 27, and 28 of Act No. 285 of the Public Acts of 1965, entitled

"Private detective license act of 1965,"

being sections 338.822, 338.824, 338.825, 338.826, 338.827, 338.829, 338.830, 338.832, 338.833, 338.834, 338.836, 338.837, 338.838, 338.840, 338.841, 338.842, 338.843, 338.845, 338.846, 338.847, and 338.848 of the Michigan Compiled Laws; and to add sections 32, 33, and 34.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title and sections 2, 4, 5, 6, 7, 9, 10, 12,
2 13, 14, 16, 17, 18, 20, 21, 22, 23, 25, 26, 27, and 28 of Act No.
3 285 of the Public Acts of 1965, being sections 338.822, 338.824,
4 338.825, 338.826, 338.827, 338.829, 338.830, 338.832, 338.833,
5 338.834, 338.836, 338.837, 338.838, 338.840, 338.841, 338.842,

1 338.843, 338.845, 338.846, 338.847, and 338.848 of the Michigan
2 Compiled Laws, are amended and sections 32, 33, and 34 are added
3 to read as follows:

4 TITLE

5 An act to license and regulate private detectives and inves-
6 tigators; TO PRESCRIBE THE POWERS AND DUTIES OF CERTAIN STATE AND
7 LOCAL AGENCIES; TO CREATE A BOARD OF PRIVATE DETECTIVE AGENCIES;
8 to provide penalties; ~~for violations;~~ to protect the general
9 public against unauthorized, unlicensed, and unethical operations
10 by private detectives and private investigators; TO PROHIBIT THE
11 UNAUTHORIZED MANUFACTURING, PRINTING, DISPLAYING, DISTRIBUTING,
12 BUYING, OR SELLING OF CERTAIN BADGES, SHIELDS, IDENTIFICATION
13 CARDS, AND CERTIFICATES OF LICENSES; and to repeal certain acts
14 and parts of acts.

15 Sec. 2. As used in this act:

16 (a) "Good moral character" means good moral character as
17 defined and determined under Act No. 381 of the Public Acts of
18 1974, as amended, being sections 338.41 to 338.47 of the Michigan
19 Compiled Laws.

20 (b) "Private detective" or "private investigator" means a
21 person, ~~other than an insurance adjuster who is on salary and~~
22 ~~employed by an insurance company,~~ who, for a fee, reward, or
23 other consideration, engages in THE business ~~or~~ OF INVESTIGA-
24 TION OR SURVEILLANCE, accepts employment to furnish ~~—~~ or sub-
25 contracts PLAINCLOTHES PROTECTION TO PERSONS, or agrees to ~~make,~~
26 ~~or makes an investigation for the purpose of obtaining~~ OBTAIN
27 information with reference to any of the following:

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

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

7 (iii) The location, disposition, or recovery of lost or
8 stolen property.

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

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

13 (c) "Insurance adjuster" means a person ~~other than a pri-~~
14 ~~vate detective or private investigator who, for a consideration,~~
15 ~~engages in the activities enumerated in subdivision (b) in the~~
16 ~~course of adjusting or otherwise participating in the disposal of~~
17 ~~claims under or in connection with a policy of insurance. An~~
18 ~~"insurance adjuster" is one~~ who IS LICENSED PURSUANT TO CHAPTER
19 12 OF THE INSURANCE CODE OF 1956, ACT NO. 218 OF THE PUBLIC ACTS
20 OF 1956, BEING SECTIONS 500.1200 TO 500.1244 OF THE MICHIGAN
21 COMPILED LAWS, OR is employed on a salary basis by an insurance
22 company; a person, ~~firm~~ ASSOCIATION, partnership, company, or
23 corporation who acts for insurance companies solely in the capac-
24 ity of a claim adjuster; ~~—~~ OR a person, ~~firm~~ ASSOCIATION,
25 partnership, company, or corporation engaged in the business of
26 public adjuster acting for claimants in securing adjustments of
27 claims against insurance companies. ~~and~~ AN INSURANCE ADJUSTER

1 DOES NOT INCLUDE A PERSON, ASSOCIATION, PARTNERSHIP, COMPANY, OR
2 CORPORATION who ~~does not perform~~ PERFORMS investigative serv-
3 ices ~~including~~ OR surveillance activities.

4 (d) "Licensee" means a person, ASSOCIATION, PARTNERSHIP,
5 COMPANY, OR CORPORATION licensed under this act.

6 (E) "BOARD" MEANS THE BOARD OF PRIVATE DETECTIVE AGENCIES
7 CREATED IN SECTION 32.

8 (F) "DEPARTMENT" MEANS THE DEPARTMENT OF LICENSING AND
9 REGULATION.

10 Sec. 4. This act ~~shall~~ DOES not apply to ANY OF THE
11 FOLLOWING:

12 (a) A person employed exclusively and regularly by an
13 employer in connection with the affairs of the employer only,
14 ~~and~~ IF there exists a bona fide employer-employee relationship,
15 for which the employee is reimbursed on a salary basis.

16 (b) An officer or employee of the United States, or of this
17 state or A political subdivision ~~thereof~~ OF THIS STATE, while
18 ~~such~~ THE officer or employee is engaged in the performance of
19 his OR HER official duties.

20 (c) The business of obtaining and furnishing information as
21 to the financial standing, rating, and credit responsibility of
22 persons or as to the personal habits and financial responsibility
23 of applicants for insurance, indemnity bonds, or commercial
24 credit.

25 (d) A charitable philanthropic society or association ~~duly~~
26 incorporated under the laws of this state which is organized and
27 maintained for the public good and not for private profit.

1. (e) An attorney at law in performing his OR HER duties as
2 ~~such~~ AN attorney at law. THE EXCEPTION IN THIS SUBDIVISION
3 DOES NOT APPLY TO A PERSON WHO IS NOT AN ATTORNEY AT LAW BUT IS
4 EMPLOYED BY OR CONTRACTS WITH AN ATTORNEY AT LAW TO PERFORM A
5 SERVICE.

6 (f) A collection agency or finance company licensed to do
7 business under the laws of this state or any employee thereof
8 while acting within the scope of his OR HER employment when
9 making an investigation incidental to the business of the agency,
10 including an investigation of the location of the debtor or ~~his~~
11 THE DEBTOR'S assets and of property which the client has an
12 interest in or a lien upon.

13 ~~(g) An insurance adjuster who is employed on a salary basis~~
14 ~~by an insurance company, a person, firm, partnership, company or~~
15 ~~corporation who acts for an insurance company solely in the~~
16 ~~capacity of claim adjuster. A person, firm, partnership, company~~
17 ~~or corporation engaged in the business of public adjuster acting~~
18 ~~for claimants in securing adjustments of claims against insurance~~
19 ~~companies and who does not perform investigative services includ-~~
20 ~~ing, but not limited to, surveillance activities.~~

21 Sec. 5. The ~~secretary of state~~ DEPARTMENT, upon ~~proper~~
22 application and upon being satisfied that the applicant is enti-
23 tled to receive ~~same~~ A LICENSE, shall issue the applicant a
24 license to conduct business as a private detective or private
25 investigator for a period of 2 years from THE date of issuance.
26 Upon the issuance of a license to conduct business as a private
27 detective or private investigator, the applicant shall not be

1 required to obtain any other license from any municipality or
2 political subdivision of this state.

3 Sec. 6. (1) The ~~secretary of state~~ DEPARTMENT shall issue
4 a license to conduct business as a private detective or private
5 investigator if the ~~secretary~~ DEPARTMENT is satisfied that the
6 applicant is a person, or if a ~~firm,~~ partnership, ASSOCIATION,
7 company, or corporation ~~—~~ the sole or principal license holder
8 is a person, who meets all of the following qualifications:

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

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

11 (c) Is of good moral character.

12 (d) Has a high school education or its equivalent.

13 (e) ~~is~~ WAS a resident of this state FOR AT LEAST 1 YEAR
14 IMMEDIATELY PRECEDING THE DATE OF APPLICATION.

15 (f) Has not been convicted of a felony or misdemeanor
16 involving dishonesty or fraud, unauthorized divulging or selling
17 of information or evidence, impersonation of a law enforcement
18 officer or employee of the United States, ~~or~~ a state, or a
19 political subdivision of ~~either~~ A STATE; A VIOLATION OF SECTION
20 18(3); or of illegally using, carrying, or possessing a dangerous
21 weapon.

22 (g) Has not been dishonorably discharged from a branch of
23 the United States military service.

24 (h) ~~For a period of not less than 3 years has been or is~~
25 ~~any~~ SATISFIES 1 OR MORE of the following REQUIREMENTS:

26 ~~(i) Lawfully engaged in the private detective business on~~
27 ~~his or her own account.~~

1 (i) ~~(ii) Lawfully~~ HAS BEEN LAWFULLY engaged ~~in the~~
2 ~~private detective business~~ FOR NOT LESS THAN 3 YEARS as ~~an~~ A
3 FULL-TIME investigative employee of the holder of a ~~certificate~~
4 ~~of authority to conduct a detective agency~~ LICENSE UNDER THIS
5 ACT.

6 (ii) ~~(iii) An~~ HAS BEEN A FULL-TIME investigator ~~,~~ OR
7 detective ~~,~~ ~~special agent, or police officer~~ of a city, county,
8 or state government or of the United States government FOR NOT
9 LESS THAN 3 YEARS BUT IS NOT CURRENTLY EMPLOYED BY A CITY,
10 COUNTY, OR STATE GOVERNMENT OR THE UNITED STATES GOVERNMENT.

11 (iii) ~~(iv)~~ Is a graduate with a BACCALAUREATE degree in
12 ~~the field of police administration~~ CRIMINAL JUSTICE OR OTHER
13 FIELD APPLICABLE TO A PRIVATE INVESTIGATOR, AS DETERMINED BY THE
14 DEPARTMENT, from an accredited university or college.

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

17 (2) In the case of a person, ~~firm~~ ASSOCIATION, partner-
18 ship, company, or corporation now doing or seeking to do business
19 in this state, the resident manager shall comply with the quali-
20 fications of this section.

21 Sec. 7. (1) The ~~secretary of state~~ DEPARTMENT shall pre-
22 pare ~~a standard uniform~~ AN application FORM, and shall require
23 the ~~person filing application~~ APPLICANT to obtain notarized
24 reference statements from ~~at least~~ NOT LESS THAN 5 reputable
25 ~~citizens~~ RESIDENTS who swear that they know the applicant and
26 his OR HER qualifications, and have ~~so~~ known the applicant for
27 a period of ~~at least~~ NOT LESS THAN 5 years, and that ~~prior to~~

1 BEFORE the filing of the application they have read ~~it~~ THE
2 APPLICATION and believe each of the statements ~~therein~~ IN THE
3 APPLICATION to be true and that the applicant is honest, of good
4 character, and competent, and not related ~~or connected~~ BY BLOOD
5 OR MARRIAGE to the person ~~so certifying by blood or marriage~~
6 MAKING THE REFERENCE STATEMENTS. Upon receipt of the application,
7 the ~~secretary of state~~ DEPARTMENT shall investigate as to the
8 truth and veracity of the statements and the applicant's reputa-
9 tion for truth, honesty, integrity, and ethical dealing.

10 (2) ~~The~~ UPON RECEIPT OF THE application, ~~and investiga-~~
11 ~~tion shall not be complete until the applicant has received the~~
12 ~~approval of~~ DEPARTMENT SHALL NOTIFY the prosecuting attorney
13 and the sheriff of the county, ~~within~~ AND THE CHIEF OF POLICE
14 OF THE CITY, VILLAGE, OR TOWNSHIP IN which the principal office
15 of the applicant is to be located. ~~If the office is to be~~
16 ~~located in a city or village, the approval of the chief of police~~
17 ~~may be obtained instead of the sheriff.~~ IF THE PROSECUTING
18 ATTORNEY, SHERIFF, OR CHIEF OF POLICE HAVE ANY OBJECTIONS TO A
19 LICENSE BEING ISSUED TO THE APPLICANT, THEY SHALL RESPOND TO THE
20 DEPARTMENT IN WRITING WITHIN 10 DAYS AFTER THE DATE THE DEPART-
21 MENT SENDS THE NOTICE REQUIRED BY THIS SUBSECTION.

22 Sec. 9. (1) ~~The secretary of state, when~~ IF satisfied of:
23 the good character, competency, and integrity of the applicant,
24 or if the applicant is a ~~firm,~~ partnership, ASSOCIATION,
25 COMPANY, or corporation, of the individual members or officers
26 thereof, THE DEPARTMENT shall issue to the applicant a

1 ~~certificate of~~ license upon the applicant's ~~paying to the~~
2 ~~secretary of state~~ DOING BOTH OF THE FOLLOWING:

3 (A) PAYING THE DEPARTMENT A FEE OF \$300.00 for each certifi-
4 cate of license ~~a fee of \$100.00 if a person, or \$200.00 if a~~
5 ~~firm, partnership or corporation, and upon the applicant's~~
6 ~~executing,~~ WHICH SHALL BE VALID FOR 2 YEARS.

7 (B) EXECUTING, delivering, and filing ~~in~~ WITH the ~~office~~
8 ~~of the secretary of state~~ DEPARTMENT a bond in the sum of
9 ~~\$5,000.00 if a person, or \$10,000.00 if a firm, partnership or~~
10 ~~corporation, conditioned~~ \$10,000.00 for the faithful and honest
11 conduct of ~~such~~ THE business by ~~such~~ THE applicant, which
12 bond shall be approved by the ~~secretary of state.~~ The license
13 ~~shall be valid for 2 years, but shall be revocable at all times~~
14 ~~by the secretary of state for cause shown. The bonds~~
15 DEPARTMENT.

16 (2) A BOND shall be taken in the name of the people of the
17 state, and any person injured by the ~~wilful~~ WILLFUL, malicious,
18 and wrongful act of the principal may bring an action on the bond
19 in his OR HER own name to recover damages suffered by reason of
20 ~~such wilful~~ THE WILLFUL, malicious, and wrongful act.

21 (3) The license ~~certificate~~ shall be in a form to be pre-
22 scribed by the ~~secretary of state~~ DEPARTMENT and shall specify
23 the full name of the applicant, the location of the principal
24 office or place of business, ~~and~~ the location of the bureau,
25 agency, subagency, office, or branch office for which the license
26 is issued, the date ~~of~~ ON which ~~it will expire~~ THE LICENSE

1 EXPIRES and the name of the person filing the statement required
2 by this act upon which the license is issued.

3 (4) ~~(2)~~ If a licensee desires to open a branch office or
4 subagency, ~~he may~~ THE LICENSEE SHALL receive a certificate of
5 license for that branch or subagency upon payment to the
6 ~~secretary of state~~ DEPARTMENT of an additional fee of \$25.00
7 for each additional license. The additional license shall be
8 posted in a conspicuous place in the branch office or subagency
9 and shall expire concurrent with the date of the initial
10 license.

11 (5) ~~(3)~~ If the license is revoked or terminated for any
12 cause, ~~no~~ A refund shall NOT be made of the license fees or any
13 part ~~thereof~~ OF THE LICENSE FEES.

14 Sec. 10. (1) The ~~secretary of state~~ DEPARTMENT, AFTER
15 NOTICE AND A HEARING, may revoke a license issued under this act
16 if the ~~secretary~~ DEPARTMENT determines, upon good cause shown,
17 that the licensee ~~or licensee's manager, if an individual, or if~~
18 ~~the licensee is a person other than an individual, that an offi-~~
19 ~~cer, director, partner, or its manager, has~~ IS NOT OF GOOD MORAL
20 CHARACTER OR HAS DONE ANY OF THE FOLLOWING:

21 (a) Made A false ~~statements~~ STATEMENT or given false
22 information in connection with an application for a license or a
23 renewal or reinstatement of a license.

24 (b) Violated this act OR A RULE PROMULGATED UNDER THIS ACT.

25 (c) Been convicted of a felony or misdemeanor involving dis-
26 honesty or fraud, unauthorized divulging or selling of
27 information or evidence, impersonation of a law enforcement

1 officer or employee of the United States or a state ~~or a~~
2 political subdivision of ~~either~~, A STATE; A VIOLATION OF SEC-
3 TION 18(3); OR of illegally using, carrying, or possessing a dan-
4 gerous weapon. ~~, or is not of good moral character.~~

5 (D) WORKED AS A PRIVATE DETECTIVE OR PRIVATE INVESTIGATOR
6 WITHOUT A LICENSE ISSUED UNDER THIS ACT, UNLESS THE LICENSEE WAS
7 LICENSED AS A PRIVATE DETECTIVE OR PRIVATE INVESTIGATOR UNDER THE
8 LAW OF ANOTHER STATE.

9 (2) Upon notification from the ~~secretary of state~~
10 DEPARTMENT of the revocation of the license, the licensee, within
11 24 hours, shall surrender to the ~~secretary of state~~ DEPARTMENT
12 the ~~certificate of~~ license and his or her identification card.
13 ~~Failure to comply with the directions of the secretary of state~~
14 A PERSON WHO VIOLATES THIS SUBSECTION is GUILTY OF a
15 misdemeanor.

16 Sec. 12. Upon receipt of a ~~certificate of~~ license from
17 the ~~secretary of state~~ DEPARTMENT, the licensee shall post ~~it~~
18 THE LICENSE in a conspicuous place in his OR HER office.

19 Sec. 13. ~~Any~~ A change in the name or location of the
20 agency or of a branch office or subagency shall be reported to
21 the ~~secretary of state at least 30~~ DEPARTMENT NOT LESS THAN 5
22 days ~~prior to~~ BEFORE the change ~~becoming~~ BECOMES effective.
23 ~~, upon~~ UPON receipt of ~~which~~ THE CHANGE, the ~~secretary of~~
24 ~~state~~ DEPARTMENT shall prepare and forward a ~~certificate~~
25 LICENSE showing the change, and the licensee shall return his OR
26 HER old ~~certificate~~ LICENSE within 3 business days after the
27 change.

1 Sec. 14. (1) Upon issuing a ~~certificate of~~ license, the
2 ~~secretary of state~~ DEPARTMENT shall also issue to the principal
3 license holder, or if the agency is a partnership, to each part-
4 ner, or if the license holder is ~~a~~ AN ASSOCIATION, COMPANY, OR
5 corporation, to each resident officer or manager, ~~thereof,~~ an
6 identification card.

7 (2) The identification card shall be in ~~such~~ THE form and
8 contain ~~such~~ THE information as may be prescribed by the
9 ~~secretary of state~~ DEPARTMENT and shall be recallable by the
10 ~~secretary of state~~ DEPARTMENT for the same reasons as the
11 ~~certificate of~~ license.

12 (3) Only 1 identification card shall be issued for each
13 person entitled to receive it, and the licensee shall be respon-
14 sible for the maintenance, custody, and control of the identifi-
15 cation card, and shall neither let, loan, sell THE IDENTIFICATION
16 CARD, nor otherwise permit unauthorized persons or employees to
17 use it. ~~Nothing in this~~ THIS section shall ~~be construed to~~
18 NOT prevent ~~each~~ AN agency from issuing its own identification
19 cards TO THEIR RESPECTIVE EMPLOYEES, if ~~they~~ THE IDENTIFICATION
20 CARDS are approved as to form and content by the ~~secretary of~~
21 ~~state, to their respective employees. The individual card~~
22 DEPARTMENT. THE IDENTIFICATION CARDS ISSUED BY AN AGENCY TO ITS
23 EMPLOYEES shall not bear the seal of the state. ~~nor the desig-~~
24 ~~nation of private detective or private investigator, but the~~
25 ~~employee shall be designated as investigator or operator.~~

26 (4) Upon ~~proper~~ application and for sufficient reasons
27 shown, the ~~secretary of state~~ DEPARTMENT may issue ~~duplicates~~

1 A DUPLICATE of the original ~~certificate of~~ license or
2 identification card.

3 Sec. 16. ~~No~~ A person shall NOT manufacture, PRINT, DIS-
4 PLAY, DISTRIBUTE, BUY, OR SELL a badge, ~~or~~ shield,
5 IDENTIFICATION CARD, OR LICENSE which purports to indicate that
6 the holder is a licensed private detective, ~~nor shall any person~~
7 ~~print identification cards or certificates of license to~~ OR do
8 business as a private detective, without ~~first having obtained~~
9 OBTAINING the express authorization of the DEPARTMENT. ~~secretary~~
10 ~~of state. No person shall display for sale any badge, shield,~~
11 ~~identification card or certificate of license, by which the pur-~~
12 ~~chaser might mislead the public into thinking that the holder is~~
13 ~~a licensed detective. No person, company, individual or business~~
14 ~~shall distribute a badge, shield, identification card or certifi-~~
15 ~~cate of license in this state except the secretary of state. No~~
16 ~~person shall knowingly buy or receive from any source any form of~~
17 ~~spurious identification as a private detective. Any violation~~
18 ~~of~~ A PERSON WHO VIOLATES this section is GUILTY OF a
19 misdemeanor. ~~, and any~~ AN unauthorized badge, shield, identi-
20 fication card, or certificate of license shall be confiscated by
21 any law enforcement officer of ~~the~~ THIS state. Each day the
22 violation continues shall constitute a separate offense.

23 Sec. 17. (1) A licensee may employ as many persons as ~~he~~
24 ~~deems~~ THE LICENSEE CONSIDERS necessary to assist ~~him in his~~
25 THE LICENSEE IN THE work of A PRIVATE detective and in the con-
26 duct of ~~his~~ THE LICENSEE'S business. ~~, and at~~ AT all times
27 during ~~the~~ employment, THE LICENSEE shall be accountable for

1 the ~~good~~ conduct in the business of each person ~~so~~ employed
2 BY THE LICENSEE.

3 (2) A licensee shall keep adequate and complete records of
4 ~~all~~ THE persons employed by ~~him~~ THE LICENSEE, which records
5 shall be made available to the ~~secretary of state~~ DEPARTMENT
6 upon request and to ~~police authorities~~ ANY LAW ENFORCEMENT
7 AGENCY if the ~~police authorities offer~~ LAW ENFORCEMENT AGENCY
8 OFFERS, IN WRITING, legitimate proof for the request in connec-
9 tion with a specific need.

10 (3) If a licensee falsely states or represents that a person
11 is or has been in ~~his~~ THE LICENSEE'S employ, the false state-
12 ment or representation shall be sufficient cause for the revoca-
13 tion of the PERSON'S license. ~~Any~~ A person SHALL NOT falsely
14 ~~stating~~ STATE or ~~representing~~ REPRESENT that ~~he~~ THE PERSON
15 is or has been a PRIVATE detective or employed by a PRIVATE
16 detective agency. ~~—~~ A PERSON WHO VIOLATES THIS SUBSECTION is
17 guilty of a misdemeanor.

18 Sec. 18. (1) ~~No~~ A licensee shall NOT knowingly employ
19 ~~any~~ A person who has been convicted of a felony, ~~or high~~ mis-
20 demeanor RESULTING IN A SENTENCE OF IMPRISONMENT FOR 1 YEAR OR
21 MORE, or any crime involving moral turpitude. The licensee shall
22 cause fingerprints to be taken and ~~processed by the local law~~
23 ~~enforcement agency~~ SUBMITTED TO THE DEPARTMENT of all
24 ~~prospective employees to assist him in his~~ APPLICANTS FOR
25 EMPLOYMENT AS ASSISTANTS TO THE LICENSEE IN THE LICENSEE'S work
26 as a private detective. AFTER HIS OR HER FINGERPRINTS ARE
27 SUBMITTED TO THE DEPARTMENT, A PERSON MAY WORK FOR THE LICENSEE

1 DURING THE TIME REQUIRED FOR THE DEPARTMENT TO PROCESS THE
2 FINGERPRINTS. THE LICENSEE SHALL RECEIVE FROM THE DEPARTMENT ANY
3 CRIMINAL HISTORY REGARDING THE FINGERPRINTS OF PROSPECTIVE
4 EMPLOYEES OR EMPLOYEES WORKING FOR A LICENSEE DURING THE TIME
5 REQUIRED FOR THE DEPARTMENT TO PROCESS THE FINGERPRINTS. A TYPED
6 LIST OF THE EMPLOYEES OF A LICENSEE SHALL NOT BE COMPILED OR POS-
7 SESSED BY THE DEPARTMENT.

8 (2) THE DEPARTMENT, AT A REASONABLE FEE, SHALL MAKE AVAIL-
9 ABLE TO ANYONE WHO MAKES A REQUEST A COMPUTER PRINTOUT OF THE
10 LICENSEES' NAMES, BUSINESS ADDRESSES, AGENCY NAMES, ADDRESSES,
11 LICENSE NUMBERS, AND LICENSE EXPIRATION DATES OF ALL LICENSES
12 ISSUED UNDER THIS ACT.

13 (3) ~~(2) Any~~ AN employee, ~~or operator who,~~ upon demand,
14 ~~fails to~~ SHALL surrender to the licensee ~~his~~ THE EMPLOYEE'S
15 identification card and any other property issued to ~~him~~ THE
16 EMPLOYEE for use in connection with ~~his~~ THE employer's
17 business. ~~—~~ A PERSON WHO VIOLATES THIS SUBSECTION is guilty of
18 a misdemeanor.

19 (4) A LICENSEE, OR AN EMPLOYEE OF A LICENSEE, WHILE CONDUCT-
20 ING AN INVESTIGATION, SHALL NOT REPRESENT BY WRITTEN, PRINTED,
21 VERBAL, OR ANY OTHER MEANS, THAT HE OR SHE IS A LAW ENFORCEMENT
22 OFFICER OR OFFICIAL OR AN EMPLOYEE OF ANY GOVERNMENTAL AGENCY,
23 DEPARTMENT, OR OTHER PUBLIC ENTITY.

24 (5) A PERSON WHO VIOLATES SUBSECTION (4) IS GUILTY OF A
25 MISDEMEANOR. IF THE PERSON WHO VIOLATES SUBSECTION (4) IS AN
26 EMPLOYEE OR INVESTIGATOR, THE LICENSEE EMPLOYING THE PERSON MAY

1 TERMINATE THE PERSON'S EMPLOYMENT, AND ANY LICENSEE MAY REFUSE TO
2 EMPLOY THAT PERSON.

3 Sec. 20. (1) ~~Any~~ EXCEPT AS REQUIRED BY LAW, A person who
4 is or has been an employee of a licensee shall not divulge to
5 ~~anyone~~ A PERSON other than his OR HER employer or former
6 employer, or as the employer ~~shall direct, except as he may be~~
7 ~~required by law~~ DIRECTS, any information acquired by ~~him~~ THE
8 PERSON during his OR HER employment in respect to ~~any of~~ the
9 work to which ~~he shall have been~~ THE PERSON WAS assigned by the
10 employer. ~~Any~~ AN employee ~~violating the provisions of~~ WHO
11 VIOLATES this section and ~~any~~ AN employee who ~~wilfully~~
12 WILLFULLY makes a false report to his OR HER employer ~~in~~ WITH
13 respect to any work is guilty of a misdemeanor.

14 (2) ~~Any~~ EXCEPT AS REQUIRED BY LAW, A principal, manager,
15 or employee of a licensee who ~~wilfully~~ WILLFULLY furnishes
16 false information to ~~clients~~ A CLIENT, or ~~who wilfully~~
17 WILLFULLY sells, divulges, or otherwise discloses to A PERSON
18 other than ~~clients, except as he may be required by law,~~ A
19 CLIENT any information acquired by ~~him or them~~ THE PRINCIPAL,
20 MANAGER, OR EMPLOYEE during employment by the client is guilty of
21 a misdemeanor, and THE LICENSEE shall be subjected to THE immedi-
22 ate suspension of THE license by the ~~secretary of state~~
23 DEPARTMENT and THE revocation of THE license upon satisfactory
24 proof of the offense to the ~~secretary of state~~ DEPARTMENT. ~~Any~~
25 ~~communications, oral or written, furnished by a professional man~~
26 ~~or client to a licensee, or any~~ ANY information, WRITTEN OR
27 ORAL, secured BY A LICENSEE in connection with an assignment for

1 a client, ~~shall be deemed~~ IS CONSIDERED A privileged ~~with the~~
2 ~~same authority and dignity as are~~ COMMUNICATION AND SHALL BE
3 ACCORDED THE SAME STATUS AS other privileged communications rec-
4 ognized by the courts of this state.

5 Sec. 21. The prosecuting attorney of the county in which
6 ~~any conviction for~~ A PERSON IS CONVICTED OF a violation of ~~any~~
7 ~~provision of~~ this act shall, within 10 days ~~thereafter~~ AFTER
8 THE CONVICTION, make and file with the ~~secretary of state~~
9 DEPARTMENT a report showing the date of ~~such~~ THE conviction,
10 the name of the person convicted, and the nature of the ~~charge~~
11 OFFENSE.

12 Sec. 22. (1) ~~Every~~ EACH advertisement by a licensee
13 soliciting or advertising for business shall contain ~~his~~ THE
14 LICENSEE'S name and address as they appear in the records of the
15 ~~secretary of state~~ DEPARTMENT. IF THE LICENSEE HAS MORE THAN 1
16 LOCATION, THE MAIN OFFICE, OR A BRANCH OFFICE ADDRESS, OR BOTH,
17 MAY BE USED.

18 (2) ~~Any~~ A licensee, ~~shall, on~~ UPON notice from the
19 ~~secretary of state~~ DEPARTMENT, SHALL discontinue any advertis-
20 ing or the use of any advertisement, seal, or card, which ~~in the~~
21 ~~opinion of the secretary of state~~ THE DEPARTMENT DETERMINES may
22 tend to mislead the public. Failure to comply with ~~any such~~ AN
23 order of the ~~secretary of state~~ DEPARTMENT ISSUED UNDER THIS
24 SECTION shall be cause for THE revocation of the PERSON'S
25 license. ~~of such licensee.~~

26 (3) ~~No~~ A person, unless ~~he is~~ licensed under this act,
27 shall NOT advertise his OR HER business to be that of a private

1 detective ~~irrespective~~ REGARDLESS of the name or title actually
2 used.

3 Sec. 23. ~~No~~ A licensee shall NOT use ~~any~~ A designation
4 or trade name which ~~has~~ IS not ~~been first~~ approved by the
5 ~~secretary of state, nor shall any~~ DEPARTMENT. A licensee SHALL
6 NOT use ~~any~~ A designation or trade name which implies ~~any~~ AN
7 association with ~~any municipal~~ A CITY, VILLAGE, TOWNSHIP,
8 county, or state government, ~~or~~ the federal government, or
9 ~~any~~ AN agency thereof.

10 Sec. 25. (1) For the purpose of investigating the charac-
11 ter, competency, and integrity of ~~the applicants~~ AN APPLICANT,
12 or for the purpose of investigating complaints made against ~~the~~
13 A licensee, the ~~secretary of state~~ DEPARTMENT may issued sub-
14 poenas and compel the attendance of witnesses. ~~All subpoenas~~ A
15 SUBPOENA shall be issued ~~under the hand of the secretary of~~
16 ~~state~~ BY THE DEPARTMENT, and upon service ~~thereof~~ OF THE
17 SUBPOENA the witness shall be ~~tendered~~ ALLOWED the fees to
18 which ~~he~~ THE PERSON would be entitled to receive ~~were he~~ IF
19 subpoenaed in a court of law.

20 (2) If a person ~~duly subpoenaed~~ ISSUED A SUBPOENA fails to
21 obey the subpoena, or without cause refuses to be examined or
22 ~~to~~ answer ~~any~~ A legal or pertinent ~~questions~~ QUESTION as to
23 the character, qualifications, or alleged misdeeds of ~~the~~ AN
24 applicant or licensee, the ~~witness~~ PERSON is guilty of a
25 misdemeanor. The testimony of ~~such witnesses~~ THE PERSON shall
26 be under oath, which the ~~secretary of state~~ DEPARTMENT may

1 administer. ~~Willful~~ WILLFUL false swearing in ~~any such~~ A
2 proceeding ~~shall be deemed~~ IS perjury.

3 Sec. 26. (1) A license ~~granted~~ ISSUED under ~~the provi-~~
4 ~~sions of~~ this act may be renewed by the ~~secretary of state~~
5 DEPARTMENT upon application ~~therefor~~ by the licensee, ~~and~~ the
6 payment of a renewal fee of ~~\$50.00 if a person, or of~~ \$200.00,
7 ~~if a firm, partnership, company or corporation,~~ and filing of a
8 renewal surety bond in the amount equivalent to that specified in
9 section 9. ~~of this act.~~ A LICENSEE SHALL NOT ENGAGE IN CONDUCT
10 REGULATED UNDER THIS ACT IF THE PERSON'S LICENSE HAS EXPIRED
11 UNLESS THE DEPARTMENT ISSUES THE PERSON A TEMPORARY LICENSE.

12 (2) A renewal license shall be dated as of the expiration
13 date of the previously existing license. For the renewal of a
14 license, the licensee shall submit an application in ~~such~~ THE
15 form ~~as~~ prescribed by the ~~secretary of state, and a~~
16 DEPARTMENT. A RENEWAL license shall be issued ~~forthwith~~
17 IMMEDIATELY, except that the ~~secretary of state~~ DEPARTMENT may
18 defer the renewal if ~~there are~~ AN uninvestigated, ~~complaints~~
19 ~~then~~ WRITTEN, AND SIGNED COMPLAINT IS outstanding against the
20 licensee or if ~~there is~~ a criminal complaint ~~then~~ IS pending
21 against the licensee. ~~The renewal application shall be approved~~
22 ~~by the sheriff or chief of police and the prosecuting attorney,~~
23 ~~as required for an initial license.~~

24 Sec. 27. (1) Upon the death of an individual ~~of whose~~
25 ~~qualifications~~ WHOSE NAME APPEARS ON a PRIVATE DETECTIVE AGENCY
26 license, ~~under this act has been obtained,~~ the business ~~with~~

1 ~~which the decedent was connected~~ may be carried on for a period
2 of 90 days by ANY OF the following:

3 (a) ~~In the case of~~ IF an individual licensee, the surviv-
4 ing spouse, or if there ~~be none~~ IS NOT A SURVIVING SPOUSE, BY
5 the ~~executor or administrator~~ PERSONAL REPRESENTATIVE of the
6 estate of the decedent. ~~—~~

7 (b) ~~in the case of~~ IF a partner, the surviving partners.
8 ~~—~~

9 (c) ~~in case of~~ IF an officer of a ~~firm,~~ company, associ-
10 ation, organization, or corporation, the officers thereof.

11 (2) Within 10 days following the death of ~~a licensee, the~~
12 ~~secretary of state~~ AN INDIVIDUAL WHOSE NAME APPEARS ON A PRIVATE
13 DETECTIVE AGENCY LICENSE, THE DEPARTMENT shall be notified in
14 writing. ~~Such~~ THE notification shall state the name of the
15 person legally authorized to carry on the business of the
16 deceased.

17 (3) Upon the authorization of the ~~secretary of state~~
18 DEPARTMENT, the business may be carried on for a further period
19 of time ~~when~~ IF necessary to complete any ~~investigation or~~
20 ~~assist in any litigation~~ BUSINESS COMMITMENTS pending at the
21 death of the ~~decedent~~ INDIVIDUAL WHOSE NAME APPEARS ON THE PRI-
22 VATE DETECTIVE AGENCY LICENSE.

23 ~~Nothing in this section authorized the solicitation or~~
24 ~~acceptance of any business after the death of the decedent except~~
25 ~~as otherwise provided by this act.~~

26 (4) ~~Nothing in this~~ THIS section ~~shall be construed to~~
27 DOES NOT restrict the sale of a private detective ~~business~~

1 AGENCY, if the vendee qualifies for a license under ~~the~~
2 ~~provisions of~~ this act.

3 (5) THE DEPARTMENT MAY ISSUE A TEMPORARY LICENSE AS THE
4 DEPARTMENT CONSIDERS NECESSARY FOR A PRIVATE DETECTIVE AGENCY TO
5 CONTINUE OPERATING IF A LICENSEE BECOMES INCAPACITATED, LEAVES
6 THE AGENCY, IS TERMINATED FOR CAUSE, OR FOR ANY EXTENUATING
7 CIRCUMSTANCES.

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

11 The ~~secretary of state~~ DEPARTMENT and each agent employed by
12 ~~him, in~~ THE DEPARTMENT, WITH respect to violations of ~~any of~~
13 ~~the provisions of~~ this act, ~~has~~ HAVE all of the powers of a
14 peace officer. ~~All rules and regulations of the secretary of~~
15 ~~state shall be made in accordance with the provisions of Act No.~~
16 ~~88 of the Public Acts of 1943, as amended, being sections 24.71~~
17 ~~to 24.80 of the Compiled Laws of 1948, and subject to Act No. 197~~
18 ~~of the Public Acts of 1952, as amended, being sections 24.101 to~~
19 ~~24.118 of the Compiled Laws of 1948.~~

20 (2) THE DEPARTMENT SHALL PROMULGATE RULES TO IMPLEMENT THIS
21 ACT PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969, ACT
22 NO. 306 OF THE PUBLIC ACTS OF 1969, BEING SECTIONS 24.201 TO
23 24.328 OF THE MICHIGAN COMPILED LAWS.

24 SEC. 32. (1) THE BOARD OF PRIVATE DETECTIVE AGENCIES IS
25 CREATED WITHIN THE DEPARTMENT. THE BOARD SHALL CONSIST OF 5 MEM-
26 BERS WHO ARE LICENSEES UNDER THIS ACT. THE MEMBERS OF THE BOARD
27 SHALL BE APPOINTED BY THE GOVERNOR FOR 4-YEAR TERMS, EXCEPT OF

1 THOSE MEMBERS FIRST APPOINTED 2 MEMBERS SHALL SERVE FOR 1 YEAR, 1
2 MEMBER SHALL SERVE FOR 2 YEARS, 1 MEMBER SHALL SERVE FOR 3 YEARS,
3 AND 1 MEMBER SHALL SERVE FOR 4 YEARS. A VACANCY ON THE BOARD
4 SHALL BE FILLED BY APPOINTMENT FOR THE REMAINDER OF THE UNEXPIRED
5 TERM. A MEMBER MAY BE REAPPOINTED FOR ADDITIONAL TERMS.

6 (2) THE PER DIEM COMPENSATION OF THE BOARD AND THE SCHEDULE
7 FOR REIMBURSEMENT OF EXPENSES SHALL BE ESTABLISHED ANNUALLY BY
8 THE LEGISLATURE.

9 (3) THE BUSINESS WHICH THE BOARD MAY PERFORM SHALL BE CON-
10 DUCTED AT A PUBLIC MEETING OF THE BOARD HELD IN COMPLIANCE WITH
11 THE OPEN MEETINGS ACT, ACT NO. 267 OF THE PUBLIC ACTS OF 1976,
12 BEING SECTIONS 15.261 TO 15.275 OF THE MICHIGAN COMPILED LAWS.
13 PUBLIC NOTICE OF THE TIME, DATE, AND PLACE OF THE MEETING SHALL
14 BE GIVEN IN THE MANNER REQUIRED BY ACT NO. 267 OF THE PUBLIC ACTS
15 OF 1976.

16 (4) A WRITING PREPARED, OWNED, USED, IN THE POSSESSION OF,
17 OR RETAINED BY THE BOARD IN THE PERFORMANCE OF AN OFFICIAL FUNC-
18 TION SHALL BE MADE AVAILABLE TO THE PUBLIC IN COMPLIANCE WITH THE
19 FREEDOM OF INFORMATION ACT, ACT NO. 442 OF THE PUBLIC ACTS OF
20 1976, BEING SECTIONS 15.231 TO 15.246 OF THE MICHIGAN COMPILED
21 LAWS.

22 SEC. 33. THE BOARD SHALL SET POLICY FOR THE DEPARTMENT
23 REGARDING THE LICENSING OF PRIVATE DETECTIVES, REVIEW NEW APPLI-
24 CANTS FOR A CERTIFICATE OF LICENSE FOR COMPETENCY, AND HOLD SUS-
25 PENSION OR REVOCATION OF CERTIFICATE OF LICENSE HEARINGS.

26 SEC. 34. A PERSON WHO IS LICENSED UNDER THIS ACT ON THE
27 EFFECTIVE DATE OF THIS SECTION SHALL CONTINUE TO BE LICENSED AND

1 SHALL NOT HAVE TO MEET THE ADDITIONAL REQUIREMENTS OF SECTION 6
2 WHICH TAKE EFFECT ON THE EFFECTIVE DATE OF THIS SECTION UNTIL THE
3 TIME OF LICENSE RENEWAL.