



Senate Fiscal Agency  
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## BILL ANALYSIS



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House Bill 5274 (Substitute S-1 as reported)  
Sponsor: Representative Barbara Farrah  
House Committee: Regulatory Reform  
Senate Committee: Economic Development and Regulatory Reform

**CONTENT**

The bill would amend the Private Detective License Act to do the following:

- Replace references to "private detective" or "private investigator" with the term "professional investigator".
- Expand the types of experience and degrees that qualify an applicant for licensure.
- Prohibit a law enforcement officer from being licensed or working as a professional investigator, except under certain conditions.
- Allow the Department of Labor and Economic Growth (DLEG), the Attorney General, the Michigan State Police, and local law enforcement agencies to investigate alleged unlicensed activity.
- Allow the Attorney General and county prosecutors to bring an action for an injunction, and prescribe a maximum civil fine of \$25,000 for unlicensed activity.
- Revise exceptions to the Act and make additional exceptions for certified public accountants and bail agents.
- Specify requirements for reciprocal agreements between DLEG and other states.
- Delete a requirement that a license applicant have the approval of a local prosecutor and sheriff.
- Specify administration sanctions that DLEG could impose for violations of the Act.
- Require licensees to be directly involved in their employees' activities.

The bill also would rename the Act the "Professional Investigator Licensure Act".

MCL 338.821 et al.

Legislative Analyst: Suzanne Lowe

**FISCAL IMPACT**

The bill would have no fiscal impact on the Department of Labor and Economic Growth, which currently licenses private detectives. Any civil fines imposed by courts for unlicensed activity would be deposited into the General Fund. The amount of this revenue would depend on the frequency of actions against violators and actual fines imposed by the courts.

Date Completed: 3-24-08

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