MENDENHALL INVESTIGATIONS

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2/20/15

Representative Shelley Hughes Alaska State Legislature House of Representative Vice Chairman Labor and Commerce committee State Capitol Room 13 Juneau, Alaska 99801-1182

Dear Representative Hughes:

While I believe HB9 is not necessary and what it really is a **Solution Looking** For a Problem. This morning I learned that HB9 is being rewritten and a new fiscal note prepared. I would like to have copies of those items as soon as possible for my review. While I remain adamantly opposed to the concept of State of Alaska licenses for Private Investigators. I will reserve making a section-by-section analysis of the bill until I have had an opportunity to see the revised bill and fiscal note. I will say that the current HB9 is way to complicated.

The City of Anchorage and the City of Fairbanks requirements for licenses offer protections in a much simpler way. If investigators are going to be saddled with a license why not consider the simple requirements listed below. This would also reduce the costs of licenses at the State level for private investigator license.

City of Anchorage Requirements:

Have you, within 2 years previous to this date, been convicted of a felony involving assault with a dangerous weapon?

- 2. Have you, within 1 year previous to this date, been convicted of a misdemeanor involving assault or dangerous weapons?
- 3. Have you, within 10 years previous to this date, been convicted of a crime involving moral turpitude, assault with a dangerous weapon, traffic in narcotics or dangerous drugs,

or traffic in women for immoral purposes?

4. Are you addicted to narcotics, dangerous drugs or intoxicants? h

(IF YOUR ANSWER IS "YES" TO QUESTIONS 1, 2, 3, OR 4, PLEASE LIST BELOW ALL

CHARGES, DATES OF CHARGES, PLACE OF CHARGE AND SENTENCES OR FINES IMPOSED)

City of Fairbanks Requirements:

Applicants must be a U.S. Citizen, cannot be a sex offender or kidnapper subject to the registration requirements of AS Title 12, Chapter 63, and have no felony convictions within 8 years or misdemeanor convictions within 4 years of the following: Prostitution or promotion of prostitution; Any offense under AS Title 11, Chapter 71, Controlled Substances; Any felony or misdemeanor which includes as an element of the offense, the use or threat of force upon a person; Burglary, felony larceny/theft, fraud or embezzlement; Any sexual offense; Two separate felony convictions of any type within 8 years.

Applications must be accompanied by a State of Alaska business license, City of Fairbanks business license, copy of drivers license, ID or passport and a surety bond. There is a \$10,000 surety bond required from State of Alaska residents or out-of-state applicants licensed in at least 2 other states or a \$20,000 surety bond required from out-of-state applicants not licensed in at least 2 other states.

Due to recent changes to our licensing policies, the City Clerk's Office now performs all background checks required to obtain a private detective license. We will not accept driving records or criminal history reports from ANY private or governmental agency.

Some other items that I would like to point out are dealing with costs of licenses for investigators. Most insurance companies that hire investigators require error and omissions insurance in the amount of one million dollars and a policy at that level runs about \$850.00 to \$900.00 dollars per year The State of Alaska when they contract with a private investigator requires the same level of insurance. Another cost is the State Business license for \$100.00 dollars and if you are working in Anchorage \$100.00 or Fairbanks \$400.00 for local city license fees. Totals running \$1,200.00 to \$1,400.00 dollars currently exist for investigators practicing in Alaska. Currently the fiscal note shows license costs at the state level at around \$2,900.00. Current totals for costs run nearly \$4,000.00 to open the doors of an investigative business are much to high. With costs so high you will have destroyed the investigative industry in Alaska and not done Letter to Rep. Hughes and the Labor and Commerce Committee 2 Opposition to HB 9

anything to protect the public that could not be done with a much simpler bill perhaps patterned after the city licenses.

I have continuing concerns that the costs of the licenses will explode in subsequent years as the number of investigators decide that it cost of licenses and insurance is to exorbitant to do business in Alaska and they leave the industry and perhaps the State of Alaska.

Thank you for your time and consideration on this matter.

H.H. "Tres" Lewis Private Investigator

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