

**HB**

**158**



## HOUSE JUDICIARY COMMITTEE

STATE CAPITOL, ROOM 120  
(907) 465-4990

### COMMITTEE MEMBERS

Rep. Jay Ramras  
Chairman  
Room, 118  
(907) 465-3004

Rep. Nancy Dahlstrom  
Vice-Chairman  
Room 409  
(907) 465-3783

Rep. John Coghill  
Room 214  
(907) 465-3719

Rep. Bob Lynn  
Room 104  
(907) 465-4931

Rep. Ralph Samuels  
Room 204  
(907) 465-2095

Rep. Max Gruenberg  
Room 110  
(907) 465-4940

Rep. Lindsey Holmes  
Room 405  
(907) 465-4919

### MEMORANDUM

Date: April 3, 2007

To: Representative Kevin Meyer  
Co-Chairman House Finance Committee

From: Representative Jay Ramras  
Chairman House Judiciary Committee

Re: Referral File for HB158(JUD)

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Attached please find the following documents:

- CSHB158(JUD) 25-LS0442\M
- Fax cover sheet to leg. legal re: amendments
- House Judiciary Committee Report
- Sponsor Statement
- Sectional for \E
- CSHB158( ) 25-LS0442\E
- Fiscal Notes
  - DPS/AST – indeterminate
  - DPS – 0
  - Commerce – indeterminate
- HB158 25-LS0442\A
- Support

ALASKA STATE LEGISLATURE  
HOUSE JUDICIARY COMMITTEE

Representative Jay Ramras  
Chairman  
(907) 465-3004  
Fax: (907) 465-2070  
Representative\_Jay\_Ramras@legis.state.ak.us  
1292 Sadler Way, Suite 324  
Fairbanks, AK 99701



**Committee Members:**  
Representative Nancy Dahlstrom,  
Vice-Chairman  
Representative John Coghill  
Representative Bob Lynn  
Representative Ralph Samuels  
Representative Max Gruenberg  
Representative Lindsey Holmes

State Capitol, Room 120  
Juneau, Alaska 99801-1182

**Fax**

To: Alpheus Bullard

Fax #: 2029

Number of pages including cover: 2

From: Jane Pierson

Date: April 2, 2007

Re: Final on CSHB158 (25-LS0442AE)

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Please go final on the above referenced CS, with the following changes:

Amendment 1 - as attached

Amendment 2 - Page 2, Line 17, please change 10 to 20.

AMENDMENT #1 by Gruenberg

OFFERED IN THE HOUSE

TO: HB 158 (JUD) <sup>CS</sup> "E" version

Page <sup>13</sup>~~14~~, following line <sup>16</sup>~~14~~:

Insert a new bill section to read:

"\* Sec. <sup>5</sup>~~4~~. AS 12.62.400 is amended by adding a new paragraph to read:

(15) licensure as a private investigator or private investigator  
agency under AS 08.85."

Renumber the following bill sections accordingly.

(7)  
Date Referred to Committee: February 28, 2007

FURTHER REFERRALS: Finance

Date of Committee Action: April 2, 2007

The JUDICIARY Committee considered:

HB 158

HOUSE BILL NO. 158

PRIVATE INVESTIGATORS/AGENCIES

"An Act providing for the licensing and regulation of private investigators and private investigator agencies; and providing for an effective date."

Recommends it be replaced with  HCS or  CS for HB158 (JUD)  
For Senate Bills with new title:  Technical Title  New Title: HCR  Same Title  New Title

- attach amendments
- add new referral to \_\_\_\_\_ Committee
- Letter of Intent \_\_\_\_\_ Committee

List of Abbrev for Depts:  
ADM  
CED  
COR  
CRT  
EED  
DEC  
DFG  
GOV  
HSS  
LWF  
LAW  
LEG  
MVA  
DNR  
DPS  
REV  
DOT  
UA

NEW FISCAL NOTES				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet	Zero
CED			✓	
DPS				✓
DPS-AST			✓	

PREVIOUS FISCAL NOTES				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

Signing with recommendations	Printed Last Name	DP	DNP	NR	AM
	Garmenbag	✓			
	Ly N. ...	✓			
	Coghill			✓	
	...			X	
	SAMUELS			X	
	Holmes			X	
Chair:				X	
Chair:					

25-LS0442E  
Bullard  
3/14/07

**CS FOR HOUSE BILL NO. 158( )**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-FIFTH LEGISLATURE - FIRST SESSION**

**BY**

**Offered:**  
**Referred:**

**Sponsor(s): REPRESENTATIVES ROSES, Gruenberg**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act providing for the licensing and regulation of private investigators and private**  
2 **investigator agencies; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 08.01.010 is amended by adding a new paragraph to read:

5 (39) regulation of private investigators under AS 08.85.

6 **\* Sec. 2.** AS 08 is amended by adding a new chapter to read:

7 **Chapter 85. Private Investigators and Private Investigator Agencies.**

8 **Sec. 08.85.100. License and certificate required.** (a) Unless a person is  
9 licensed under this chapter or is exempt from licensure under AS 08.85.800, a person  
10 may not

11 (1) perform the functions and duties of a private investigator;

12 (2) act in a manner intended to convey the impression that the person  
13 is a private investigator;

14 (3) act in a manner that may reasonably be construed as performance

1 the functions and duties of a private investigator; or

2 (4) advertise to the public in the media as being engaged in performing  
3 or as qualified to perform the functions and duties of a private investigator in this  
4 state.

5 (b) Unless exempt under AS 08.85.800, a person may not

6 (1) perform the functions and duties of a private investigator unless the  
7 person is, or is employed by, a person holding a private investigator agency certificate  
8 issued under this chapter;

9 (2) operate a private investigator agency without a private investigator  
10 agency certificate issued under this chapter.

11 (c) A person who knowingly violates this section is guilty of a class A  
12 misdemeanor.

13 **Sec. 08.85.110. General requirements for private investigators.** To obtain a  
14 class A or class B private investigator license an applicant

15 (1) must be a citizen or resident alien of the United States;

16 (2) may not have been convicted of a felony in any jurisdiction in the  
17 10 years preceding license application;

18 (3) may not have been convicted of a crime of dishonesty or sexual  
19 misconduct, as defined by the department in any jurisdiction that the department  
20 determines

21 (A) directly relates to the applicant's capacity to perform the  
22 duties of a private investigator; and

23 (B) provides grounds for denying licensure under this chapter  
24 to protect the citizens of the state;

25 (4) may not be on probation, parole, or named on an outstanding arrest  
26 warrant;

27 (5) may not have been dishonorably discharged from the armed forces  
28 of the United States;

29 (6) may not have been declared by a court of competent jurisdiction to  
30 be incompetent by reason of mental disease or defect unless a court has since declared  
31 the person to be competent; and

1 (7) may not be currently employed

2 (A) as a peace officer;

3 (B) by an agency of the United States, or of a state or local  
4 government, if the position held involves the enforcement of law or provides  
5 access to police or intelligence information or files generally considered to be  
6 restricted to law enforcement or investigative personnel only; or

7 (C) in a position that, in the judgment of the department,  
8 represents a conflict of interest for the prospective licensee.

9 **Sec. 08.85.120. Classes of license.** (a) The department shall issue a class A  
10 license under this chapter to an individual who qualifies under AS 08.85.110 and  
11 08.85.130. A class A license entitles an individual to operate a private investigator  
12 agency as an individual, partner, or chief executive officer of a corporation.

13 (b) The department shall issue a class B license under this chapter to an  
14 individual who qualifies under AS 08.85.110 and 08.85.140. A class B license entitles  
15 an individual to be employed by a private investigator agency to perform private  
16 investigations.

17 **Sec. 08.85.130. Private investigator class A license; qualifications.** (a) The  
18 department shall issue a private investigator class A license to an applicant who, in  
19 addition to meeting the requirements of AS 08.85.110,

20 (1) is at least 21 years of age;

21 (2) passes a written examination as required by the department;

22 (3) pays the required fee; and

23 (4) has provided evidence satisfactory to the department of work  
24 experience and education or their equivalent of one of the following;

25 (A) a high school diploma and three or more years experience  
26 in investigative work;

27 (B) an associate's degree from an accredited college or  
28 university and two or more years of experience in investigative work; or

29 (C) a bachelor's, master's, or doctorate degree from an  
30 accredited college or university and one or more years of experience in  
31 investigative work.

1 (b) In this section, a year's experience means 1,500 hours or more of actual  
2 compensated work performed before the filing of an application. An applicant shall  
3 substantiate the experience by providing written certifications from previous  
4 employers. If an applicant is unable to supply written certifications from previous  
5 employers, an applicant may offer written certifications from people other than  
6 employers who, based on personal knowledge, can substantiate the applicant's  
7 employment.

8 **Sec. 08.85.140. Private investigator class B license; qualifications.** The  
9 department shall issue a class B license under this chapter to an applicant who, in  
10 addition to meeting the general requirements of AS 08.85.110,

- 11 (1) is 18 years of age or older;
- 12 (2) passes a written examination as required by the department; and
- 13 (3) pays the required fee;
- 14 (4) has a high school diploma or equivalent;
- 15 (5) is employed by or has an offer of employment from a private  
16 investigator agency licensed under this chapter.

17 **Sec. 08.85.150. License application.** (a) An application for a license under  
18 this chapter shall be submitted to the department on a form and in a manner provided  
19 by the department.

- 20 (b) An application must include the following information about an applicant:
- 21 (1) the applicant's full name;
  - 22 (2) the applicant's business name;
  - 23 (3) the applicant's residence address;
  - 24 (4) the applicant's residential telephone number;
  - 25 (5) the applicant's residential mailing address;
  - 26 (6) the applicant's residence history for the five years immediately  
27 preceeding the application;
  - 28 (7) the applicant's business address;
  - 29 (8) the applicant's business telephone number;
  - 30 (9) the applicant's sex;
  - 31 (10) the applicant's height and weight;

- 1 (11) the applicant's hair and eye color;  
2 (12) the applicant's date of birth;  
3 (13) the applicant's social security number;  
4 (14) the applicant's Alaska driver's license number and expiration date;  
5 (15) the applicant's citizenship;  
6 (16) the applicant's criminal history and conviction record;  
7 (17) the applicant's employment history for the five-year period  
8 preceding the date of application, including reasons for termination and the applicant's  
9 eligibility for rehire;

10 (18) the name and address of all business entities in which the  
11 applicant or the applicant's spouse has a vested interest.

12 (c) The application must include the applicant's

13 (1) sworn statement that the applicant is free from any mental or  
14 emotional disorder that may adversely affect the applicant's performance as a private  
15 investigator;

16 (2) sworn statement that the applicant has read and understands  
17 AS 08.85.100 - 08.85.900;

18 (3) sworn statement that the information contained in the application is  
19 true; and

20 (4) notarized signature.

21 (d) The applicant shall submit with the application

22 (1) two complete fingerprint cards containing fingerprints and other  
23 information required by the Department of Public Safety to obtain state and national  
24 criminal history record information under AS 12.62 and AS 12.64;

25 (2) a fee payable to the department for fingerprint processing and for a  
26 national criminal history record check under AS 12.62.400;

27 (3) two photographs of the applicant suitable for a passport;

28 (4) letters of recommendation from three reputable citizens, at least  
29 one of whom is a resident of the state, attesting to the good character of the applicant;  
30 and

31 (5) documentation required by the department to substantiate that the

1 applicant meets the applicable requirements of this chapter.

2 (e) On receipt of an application for a license, the department shall conduct an  
3 investigation to determine whether the facts set out in the application are accurate.

4 **Sec. 08.85.160. Investigation of applicants.** (a) When investigating an  
5 applicant for licensure or a certificate under this chapter, the department may require  
6 any information and documentation that reasonably relates to the need to determine  
7 whether the applicant meets the criteria for a license or certificate. The department  
8 shall also request the Department of Public Safety to compare the fingerprints  
9 submitted with an application to national and state fingerprint records available under  
10 AS 12.62.

11 (b) The department may, by regulation, require that fingerprints of licensees  
12 be periodically reprocessed to identify criminal convictions subsequent to licensure  
13 under this chapter.

14 (c) A summary of the information acquired under this section, to the extent  
15 that it is public information, may be forwarded by the department to an applicant's  
16 employer.

17 **Sec. 08.85.200. Reciprocal licensure.** The department may grant a private  
18 investigator license class A or B under this chapter to a person who

19 (1) applies on a form prescribed by the department;

20 (2) pays the appropriate application fee; and

21 (3) holds a valid license, registration, identification, or similar card  
22 issued by a state that

23 (A) recognizes and accepts licenses issued under this chapter in  
24 a reciprocal manner; and

25 (B) is determined by the department to have selection, training,  
26 and other requirements at least as stringent as those required by this chapter.

27 **Sec. 08.85.300. License cards.** (a) The department shall issue a class A license  
28 card to each individual licensed as a class A private investigator under this chapter and  
29 a class B license card to each individual licensed as a class B private investigator  
30 under this chapter.

31 (b) The license cards shall bear the name, license number, class of license,

1 photograph, signature, and identifying data of the licensee, and the signature of the  
2 commissioner.

3 (c) A licensed private investigator shall carry the license card while  
4 performing the duties of a private investigator and shall produce the card within 72  
5 hours on request of an employee of the department.

6 (d) A licensed private investigator whose license is suspended or revoked shall  
7 return the license card to the department within 10 days after the date of notification of  
8 the license suspension or revocation.

9 (e) In the event of loss or destruction of a license card, the licensee may apply  
10 to the department for a replacement card, stating the circumstances of the loss.

11 **Sec. 08.85.400. Private investigator agency certificate.** (a) The department  
12 shall issue to each private investigator agency that qualifies under this section a  
13 certificate bearing the name or names of the agency's licensees, the license numbers,  
14 the business name under which the agency is operating, the authorized operating  
15 location of the business, the expiration date, and the signature of the commissioner.  
16 An individual is not eligible for a certificate unless the individual holds a class A  
17 license under this chapter. A partnership is not eligible for a certificate unless each  
18 partner holds a class A license under this chapter. A corporation is not eligible for a  
19 certificate unless the chief executive officer holds a class A license under this chapter.  
20 To qualify for a certificate, the agency shall provide evidence satisfactory to the  
21 department of the agency's possession of

22 (1) errors and omissions insurance of \$100,000 or more; and

23 (2) a current business license issued by the department and a municipal  
24 or borough license, if required.

25 (b) A private investigator agency certificate holder

26 (1) shall post and display the certificate in a conspicuous place in the  
27 principal office of the certificate holder in the state;

28 (2) may not post the certificate on premises other than those described  
29 in the certificate;

30 (3) may not materially alter a certificate;

31 (4) shall include the agency's certificate number in any advertisement

1 by the agency; and

2 (5) shall notify the department within 30 days after a change in the  
3 agency's officers, directors, or partners, or a material change in the information  
4 furnished to the department.

5 (c) A certificate issued under this section may not be assigned or transferred  
6 without prior written approval of the department.

7 (d) A person who knowingly violates (b) of this section is guilty of a class A  
8 misdemeanor.

9 **Sec. 08.85.500. License renewal; nontransferability.** (a) A license issued  
10 under this chapter is nontransferable and, unless revoked or suspended, may be  
11 renewed on a date set by the department upon proof of the licensee's continued  
12 competency.

13 (b) A licensee shall apply for renewal and pay the renewal fee as established  
14 by the department on or before the renewal date of the license. A licensee who fails to  
15 pay the renewal fee by the renewal date set by the department may, within 30 days,  
16 pay the renewal fee plus a penalty in an amount to be established by the department,  
17 not to exceed twice the amount of the renewal fee.

18 (c) If a licensee fails to pay the renewal fee, with accrued penalty, within 30  
19 days after the renewal date, the license terminates. The person may reapply under  
20 AS 08.85.150.

21 (d) Before renewing a license, the department may request criminal history  
22 information from the Department of Public Safety. The department may not renew the  
23 license of a licensee who does not meet the requirements of AS 08.85.110 for a license  
24 application.

25 **Sec. 08.85.550. Continuing education.** (a) Class A and B licensees under this  
26 chapter shall complete 20 hours or more of education every two years.

27 (b) When a licensee applies for a license renewal under AS 08.85.500, the  
28 licensee shall provide proof satisfactory to the department of having completed the  
29 education requirements under this section.

30 (c) Continuing education requirements shall be established by the department.

31 **Sec. 08.85.600. Confidentiality of licensee's personal identifying**

1 **information.** A licensee's residential address, residential telephone number, electronic  
2 mail address, social security number, photograph, and other personal identifying  
3 information that is disclosed under AS 08.85.150 is required to be kept confidential  
4 and is not subject to disclosure under AS 40.25.110 - 40.25.220 unless written consent  
5 is provided by the licensee.

6 **Sec. 08.85.700. Prohibited practices.** The following acts by a person licensed  
7 under this chapter are prohibited and constitute grounds for a disciplinary action of a  
8 type authorized for boards under AS 08.01.075 or denial of a license under this  
9 chapter, as determined by the department:

10 (1) knowingly violating a provision of this chapter or a regulation  
11 adopted under this chapter;

12 (2) accepting employment that the licensee under this chapter knows to  
13 include gathering information intended for illegal purposes;

14 (3) knowingly making a material misstatement or omission in the  
15 application for or renewal of a license, including falsifying requested identification  
16 information;

17 (4) causing another person to reasonably believe that the private  
18 investigator is an agent or employee of the state, the United States, or a political  
19 subdivision of the state or United States by

20 (A) wearing a uniform or presenting or displaying a badge or  
21 credentials that would cause a reasonable person to believe that the person has  
22 official authority as a state, federal, or municipal representative or law  
23 enforcement officer

24 (B) displaying warning or flashing vehicle lights; or

25 (C) committing an act or making a statement intended to  
26 convey official status;

27 (5) conviction of a crime that directly relates to the business for which  
28 the license is held or sought, regardless of whether a sentence was suspended; a  
29 conviction based on a plea of nolo contendere creates a rebuttable presumption of guilt  
30 as to the underlying charges, and the department shall allow the individual being  
31 disciplined or denied a license under this chapter to present any mitigating evidence

1 relevant to the reason for or circumstances surrounding the plea;

2 (6) soliciting business for an attorney in return for compensation;

3 (7) failure to cooperate with the department by

4 (A) not furnishing necessary papers or documents requested for  
5 purposes of conducting an investigation for disciplinary action, denial,  
6 suspension, or revocation of a license under this chapter;

7 (B) not furnishing in writing a full and complete explanation  
8 covering the matter contained in a complaint filed with the department; or

9 (C) not responding to a subpoena issued by the department,  
10 regardless of whether the recipient of the subpoena is the accused in the  
11 proceeding; or

12 (8) failure to comply with an order issued by the department.

13 **Sec. 08.85.750. Immunity for complainants.** An action may not be brought  
14 against a person for damages resulting from a complaint filed in good faith with the  
15 department about a person licensed a holding or certificate under this chapter.

16 **Sec. 08.85.760. Fees.** Under AS 08.01.065, the department shall establish fees  
17 for private investigators and private investigator agencies for the following:

18 (1) filing an examination or licensing application;

19 (2) examination fee;

20 (3) investigation of application;

21 (4) initial license;

22 (5) filing a reexamination application;

23 (6) duplicate license;

24 (7) license certificate;

25 (8) license card;

26 (9) renewal of a license;

27 (10) delinquent renewal of a license;

28 (11) fingerprint investigation;

29 (12) review of an application under AS 08.85.120.

30 **Sec. 08.85.770. Administrative Procedure Act.** Regulations and proceedings  
31 under this chapter are governed by AS 44.62 (Administrative Procedure Act).

1                   **Sec. 08.85.800. Exemptions.** The licensing requirements of this chapter do not  
2 apply to

3                   (1) a person who is employed exclusively or regularly by one  
4 employer who performs investigations solely in connection with the affairs of that  
5 employer if the employer is not a private investigator agency;

6                   (2) an officer or employee of the United States, a political subdivision  
7 of the United States, this state, or a political subdivision of this state, while engaged in  
8 the performance of the officer's or employee's official duties;

9                   (3) a person engaged exclusively in the business of obtaining and  
10 furnishing information about the financial rating of persons;

11                   (4) an attorney, while performing the attorney's duties as an attorney;

12                   (5) a licensed collection agency or its employee, while acting within  
13 the scope of that person's employment and making an investigation incidental to the  
14 business of the agency;

15                   (6) an insurer, insurance agent, or insurance broker licensed by the  
16 state, while performing duties in connection with insurance transacted by the insurer,  
17 insurance agent, or insurance broker;

18                   (7) a bank subject to the jurisdiction of the department or the United  
19 States Comptroller of the Currency, or a savings and loan association subject to the  
20 jurisdiction of this state or the Federal Home Loan Bank Board;

21                   (8) a licensed insurance adjuster performing the adjuster's duties within  
22 the scope of the adjuster's license;

23                   (9) a secured creditor engaged in the repossession of the creditor's  
24 collateral or a lessor engaged in the repossession of leased property in which it claims  
25 an interest;

26                   (10) a person who is a forensic scientist or an accident  
27 reconstructionist or who performs similar functions and who does not hold out to be  
28 an investigator in any other capacity;

29                   (11) a person solely engaged in the business of securing information  
30 about persons or property from public records;

31                   (12) a member or employee of the news media, while engaged in

1 obtaining information for the purposes of disseminating news to the public;

2 (13) a person who has a private investigator license or the equivalent  
3 from another jurisdiction who

4 (A) registers with the department before acting as a private  
5 investigator in the state;

6 (B) acts as a private investigator in the state for less than 14  
7 days in a calendar year;

8 (C) demonstrates to the satisfaction of the department that the  
9 license requirements of the other jurisdiction are at least as restrictive as this  
10 state's requirements; and

11 (D) demonstrates to the satisfaction of the department that the  
12 other jurisdiction allows licensees from this state to operate in the other  
13 jurisdiction;

14 (14) a private process server who is licensed in this state and is  
15 performing duties under the Alaska Rules of Court;

16 (15) a paralegal in the employ of an attorney or law firm, while  
17 performing paralegal services on behalf of an attorney or law firm; and

18 (16) a person who, for hire, or otherwise, conducts genealogical  
19 research and does not represent that the person is a private investigator.

20 **Sec. 08.85.900. Definitions.** In this chapter,

21 (1) "commissioner" means the commissioner of commerce,  
22 community, and economic development;

23 (2) "department" means the Department of Commerce, Community,  
24 and Economic Development;

25 (3) "forensic scientist" or "accident reconstructionist" means a person  
26 engaged exclusively in collecting and analyzing physical evidence and data relating to  
27 an accident or other matter and compiling the evidence or data to render an opinion of  
28 likely cause, fault, or circumstance of the accident or matter;

29 (4) "perform the functions and duties of a private investigator" means  
30 to engage in business or accept employment to furnish, agree to conduct, or conduct  
31 an investigation for the purpose of obtaining information about

- 1 (A) criminal offenses;
- 2 (B) the identity, habits, conduct, business, occupation, honesty,  
3 integrity, credibility, knowledge, trustworthiness, efficiency, loyalty, activity,  
4 movement, whereabouts, affiliations, associations, transactions, acts,  
5 reputation, or character of a person, entity, or thing;
- 6 (C) the location, disposition, or recovery of lost or stolen  
7 property;
- 8 (D) the cause or responsibility for fires, libels, losses,  
9 accidents, or damage or injury to persons or property;
- 10 (E) evidence to be used before a court, board, officer, or  
11 investigative committee;
- 12 (F) detecting the presence of electronic eavesdropping devices;  
13 or
- 14 (G) the truth or falsity of a statement or representation;

15 (5) "private investigator" means a person who performs the functions  
16 and duties of a private investigator.

17 \* Sec. 3. AS 44.62.330(a) is amended by adding a new paragraph to read:

18 (47) Department of Commerce, Community, and Economic  
19 Development concerning the licensing and regulation of private investigators under  
20 AS 08.85.

21 \* Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to  
22 read:

23 TRANSITIONAL PROVISIONS. (a) An individual who, before July 1, 2008, was  
24 validly licensed as a private investigator or private investigator agency by a political  
25 subdivision of this state or who, before July 1, 2008, held a current and active business license  
26 from the state for a private investigator business shall be issued a private investigator class A  
27 license by the department if the person

- 28 (1) meets the qualifications of AS 08.85.110, enacted by sec. 2 of this Act,  
29 (2) provides evidence satisfactory to the department that the person has  
30 performed 1,500 hours or more of private investigation work in the business for which the  
31 person holds a license;

1 (3) completes the application process required under AS 08.85.150, enacted  
2 by sec. 2 of this Act; and

3 (4) pays the required fees.

4 (b) A person who does not meet the requirements of (a) of this section and, before  
5 July 1, 2008, was a private investigator employed by a person who satisfied the requirements  
6 of (a) of this section shall be issued a private investigator class B license by the department if  
7 the person

8 (1) meets the qualifications of AS 08.85.110, enacted by sec. 2 of this Act;

9 (2) completes the application process required under AS 08.85.150, enacted  
10 by sec. 2 of this Act; and

11 (3) pays the required fees.

12 (c) A person licensed under this section shall comply with license renewal  
13 requirements under AS 08.85.500, added by sec. 2 of this Act.

14 (d) In this section, "department" means the Department of Commerce, Community,  
15 and Economic Development.

16 \* Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section to  
17 read:

18 REGULATIONS. The Department of Commerce, Community, and Economic  
19 Development may proceed to adopt regulations to implement this Act. A regulation adopted  
20 under the authority of this section takes effect under AS 44.62 (Administrative Procedure Act)  
21 but not before the effective date of the law implemented by the regulation.

22 \* Sec. 6. Except as provided in sec. 7 of this Act, this Act takes effect immediately under  
23 AS 01.10.070(c).

24 \* Sec. 7. AS 08.85.100 and 08.85.400, enacted by sec. 2 of this Act, take effect July 1,  
25 2008.

ALASKA STATE LEGISLATURE  
House of Representatives

INTERIM:  
716 W. 4TH AVE.  
ANCHORAGE, AK 99501  
Phone: (907) 269-0265  
Fax: (907) 269-0264  
(website: [www.akrepublicans.org/roses.htm](http://www.akrepublicans.org/roses.htm))



SESSION:  
STATE CAPITOL  
JUNEAU, AK 99801-1182  
Phone: (907) 465-4939  
Toll Free: (800) 465-4939  
Fax: (907) 465-2418

**Representative Bob Roses**

email: [Representative\\_Bob\\_Roses@legis.state.ak.us](mailto:Representative_Bob_Roses@legis.state.ak.us)

**Sponsor Statement**  
**CS HB 158**

**TITLE: "An Act providing for the licensing and regulation of private investigators and private investigator agencies; and providing for an effective date."**

HB 158 allows for the statewide licensing and regulation of private investigators and private investigator agencies. A private investigator is an individual who:

- (1) investigates crimes,
- (2) investigates the identity, business, occupation, character, etc., of a person,
- (3) investigates the location of lost or stolen property,
- (4) investigates the cause of fires, losses, accidents, damage or injury, or
- (5) secures evidence for use in court.

Currently, there is no licensing authority for private investigators and private investigator agencies in the State of Alaska. 42 states throughout the United States have statewide licensing and regulatory laws that increase education and training requirements for private investigators. Without licensing, Alaska lacks the unified qualifications and regulations seen throughout the United States.

The bill would permit current private investigators, licensed by a subsection of the State of Alaska, to become certified if they have been in good standing as a private investigator or private investigator agency before July 1, 2008. If passed, the legislation would require continuing educational requirements for all licensees.

The goal of HB 158 is to protect customers from private investigators with insufficient credentials by creating a standard of operating procedures.

I urge your support of this bill.

# ALASKA STATE LEGISLATURE

## House of Representatives

INTERIM:  
716 W. 4TH AVE.  
ANCHORAGE, AK 99501  
Phone: (907) 269-0265  
Fax: (907) 269-0264  
(website: [www.akrepublicans.org/roses.htm](http://www.akrepublicans.org/roses.htm))



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STATE CAPITOL  
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Phone: (907) 465-4939  
Toll Free: (800) 465-4939  
Fax: (907) 465-2418

### Representative Bob Roses

email: [Representative\\_Bob\\_Roses@legis.state.ak.us](mailto:Representative_Bob_Roses@legis.state.ak.us)

## Sectional Analysis

### CS HB 158

**TITLE:** "An Act providing for the licensing and regulation of private investigators and private investigator agencies; and providing for an effective date."

**Section 1.** Adds a new paragraph to AS 08.01.010 reading, regulation of private investigators under (AS 08.85) Centralized Licensing.

**Section 2.** Adds a new chapter to AS 08 specifying general requirements for private investigators, classes of licenses, education, qualifications, and provisions for licensure exemption and definitions.

**Section 3.** Adds a new paragraph to AS 44.62.330(a) reading, Department of Commerce, Community, and Economic Development concerning the licensing and regulation of private investigators under AS 08.85.

**Section 4.** Amends the uncodified law of the State of Alaska by instituting transitional provisions and guidelines for existing private investigators licensed through subdivisions of the state.

**Section 5.** Amends the uncodified law of the State of Alaska by adding Regulations taking effect under the Administrative Procedure Act.

**Section 6.** This act takes effect immediately.

# ALASKA STATE HOUSE OF REPRESENTATIVES

Military & Veterans' Affairs, Chair  
State Affairs Committee, Vice-Chair  
HESS, Vice-Chair  
Ways & Means Committee  
Armed Services Committee



State Capitol Suite 416  
Juneau, AK 99801  
Phone (907) 465-4939  
Fax (907) 465-2418

## Representative Bob Roses

Changes between HB 158 & Work Draft CS HB 158 Version 25-LS0442\E

*"An Act providing for the licensing and regulation of private investigators and private investigator agencies; and providing for an effective date."*

The changes are as follows:

Page 1, Sec 1, 2, & 3:

Removed "*Board of Private Investigators*," from the original version of the bill inserting the, "*regulation of private investigators*," under centralized licensing.

Page 6 Line 7:

Inserted, "*(2) passes a written examination as required by the department; and*"

Page 7 Lines 28 – Page 8 Line 1:

Removed "*On completion of its investigation, the department shall submit the results with the completed application packet to the Department of Public Safety for review and final determination. As part of its review, the Department of Public Safety may conduct an interview with the applicant*"

Page 9 Lines 7 & 8:

Removed "*(1) a surety bond issued by a corporation in the amount of \$15,000 or more;*"

Page 10 Line 11:

Added, "*Class A and B licensees*"

Page 13 Lines 3 – 8:

Changed to:

*"(13) a person who has a private investigator license or the equivalent from another jurisdiction*  
*(A) registers with the department before acting as a private investigator in the state;*  
*(B) acts as a private investigator in the state for less than 14 days in a calendar year;*  
*(C) demonstrates to the satisfaction of the department that the licensure requirements of the other jurisdiction are at least as restrictive as this state's requirements; and*  
*(B) demonstrates to the satisfaction of the department that the other jurisdiction allows licensees from this state to operate in the other jurisdiction;"*

Page 15 Lines 18 - 24 removed.

# ALASKA STATE HOUSE OF REPRESENTATIVES

Military & Veterans' Affairs, Chair  
State Affairs Committee, Vice-Chair  
HESS, Vice-Chair  
Ways & Means Committee  
Armed Services Committee



State Capitol Suite 416  
Juneau, AK 99801  
Phone (907) 465-4939  
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## Representative Bob Roses

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*(B) demonstrates to the satisfaction of the department that the other jurisdiction allows licensees from this state to operate in the other jurisdiction;"*

Page 15 Lines 18 - 24 removed.

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: HB158-DPS-AST-3-31-07  
 Bill Version: HB 158  
 () Publish Date: \_\_\_\_\_

Revision Date/Time : \_\_\_\_\_ Dept. Affected: Public Safety  
 Title "An Act providing for the licensing and regulation of private investigators and private investigator agencies . . ." RDU Alaska State Troopers  
 Sponsor Representative Roses Component AST Detachments  
 Requester House Judiciary Component No 2325

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>****</b>	<b>****</b>	<b>****</b>	<b>****</b>	<b>****</b>	<b>****</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type—Do not abbreviate)						
<b>TOTAL</b>	<b>****</b>	<b>****</b>	<b>****</b>	<b>****</b>	<b>****</b>	<b>****</b>

Estimate of any current year (FY2007) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

HB 158 is an act providing for the licensing and regulation of private investigators / agencies. According to the US Department of Labor there are approximately 43,000 private investigators nationwide (2004). Based upon the state's proportion of the nation population we estimate that there are less than 100 private investigators in the state. HB158 requires the following from the Department of Public Safety: (1) A state trooper to fill a seat on the board and participate in an unknown number of meetings per year; (2) processing of fingerprints submitted by applicants; (3) review of the applicant investigation performed by the Department of Commerce, Community and Economic Development; and (4) a possible applicant interview. It is anticipated that the commitment in resources by the DPS will be greatest in the first year following passage of this legislation, with subsequent years resulting in only a minimal impact to operations. The fiscal impact to the DPS is indeterminate.

Prepared by: Lt. Rodney Dial Phone 907-247-4480  
 Division Division of Alaska State Troopers Date/Time 3/31/07 1530  
 Approved by: Commissioner Walt Monegan Date 4/2/2007  
 Agency Department of Public Safety

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: HB158-DPS-R&I-3-30-07  
 Bill Version: HB 158  
 (j) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: "An Act providing for the licensing and regulation  
of private investigators and private investigator agencies . . ." RDU Statewide Support  
 Sponsor: Representatives Roses Component: Alaska Records & Identification  
 Requester: House Judiciary Component No.: 1190

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type—Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY2008 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This bill will require the Department of Public Safety, Records and Identification section, to perform fingerprint-based state and national criminal history checks on persons who wish to be licensed as private investigators. The department assumes that the number of persons requesting such licensure will be fewer than two dozen per year and thus will not increase the department's workload to the extent that there is a fiscal impact.

Prepared by: David Schade  
 Division: Statewide Services  
 Approved by: Commissioner Wait Monegan  
 Agency: Department of Public Safety

Phone: 269-0202  
 Date/Time: 3/30/07 4:51 PM  
 Date: 3/30/2007

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: HB158-COM-OL-03-30-07  
 Bill Version: HB 158  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Commerce  
 Title Private Investigators/Agencies RDU Corp. Bus & Prof Licensing (117)  
 Component Corp. Bus & Prof Licensing  
 Sponsor Roses  
 Requester House Judiciary Component No. 2360

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services				*		
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	*	*	*	*	*	*
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( 1158 )</b>	0.0	*	*	*	*	*

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)	*	*	*	*	*	*
<b>TOTAL</b>	*	*	*	*	*	*

Estimate of any current year (FY2007) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Full-time		*	*	*	*	*
Part-time		*	*	*	*	*
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation establishes a Board of Private Investigators, implements licensing for Private Investigators and Private Investigator Agencies, and provides for regulation of private investigators and private investigator agencies.

At this time the Division feels additional research is needed to accurately identify the staffing needed to implement the Board requirement of this legislation. This may include adding a new Board Administrator and additional staff to facilitate the regulating of the Board requirements and liaison with two Departments.

All Occupational Licensing programs and Boards are required under AS 08.01.065 to cover costs with licensing fees. Additional research will be needed to estimate the number of investigators who will seek license under this bill to estimate costs and revenue that would result from implementing the provisions of this legislation.

Prepared by: Chris Wyatt, Administrative Manager Phone (907) 465-2572  
 Division: Corporations, Business, and Professional Licensing Date/Time 3/30/07 4:17 PM  
 Approved by: Emil Notti, Commissioner Date 3/30/2007  
 Agency: Commerce, Community, and Economic Development

## State Licensing of Private Detectives

America's Career InfoNet

State	License Name	Licensing Agency
Alaska	<u>Private Detective</u>	City of Fairbanks City Clerk's Office
Alaska	<u>Private Detective Agency</u>	Municipality of Anchorage Municipal Clerk's Office
Arizona	<u>Private Investigators</u>	Public Safety, Department of
Arkansas	<u>Private Investigator</u>	Private Investigators & Private Security Agencies Arkansas Board of
California	<u>Exposed Firearm Permit</u>	Department of Consumer Affairs Bureau of Security and Investigative Services Licensing
California	<u>Private Investigator</u>	Department of Consumer Affairs Bureau of Security and Investigative Services Licensing
Colorado	<u>Bail Bond Agent</u>	Division of Insurance
Connecticut	<u>Bail Enforcement Agent (Bounty Hunter)</u>	Department of Public Safety Division of State Police Special Licensing and Firearms Unit
Connecticut	<u>Private Detective</u>	Department of Public Safety Division of State Police Special Licensing and Firearms Unit
Connecticut	<u>Private Detective - Fire Investigator</u>	Department of Public Safety Division of State Police Special Licensing and Firearms Unit
Florida	<u>Private Investigator</u>	Fl. Department of State
Georgia	<u>Private Detective</u>	Georgia Board of Private Detective and Security Agencies
Hawaii	<u>Detective, Private</u>	Board of Private Detectives and Guards Professional and Vocational Licensing Division Hawaii State Dept. of Commerce & Consumer Affairs
Illinois	<u>Private Detective (Class A)</u>	Illinois Department of Professional Regulation
Illinois	<u>Private Detective Agency (Class 1)</u>	Illinois Department of Professional Regulation
Illinois	<u>Private Detective Agency Branch Office (Class 1)</u>	Illinois Department of Professional Regulation
Indiana	<u>Licensed Private Detective</u>	Indiana Professional Licensing Agency Private Detective Licensing Board
Iowa	<u>Private Investigator (includes Polygraph Examiner)</u>	Field Services Bureau Private Investigative Agency Licensing Iowa Department of Public Safety
Kansas	<u>Detective</u>	Kansas Bureau of Investigation
Kentucky	<u>Private Investigator</u>	Kentucky Board of Licensure for Private Investigat Kentucky Division of Occupations and Professions
Louisiana	<u>Private Investigator</u>	LA State Board of Private Investigator Examiners
Maine	<u>Private Investigator</u>	Department of Public Safety Office of the Commissioner

State	License Name	Licensing Agency
Maryland	<u>PRIVATE DETECTIVE</u>	Maryland State Police Licensing Division
Massachusetts	<u>PRIVATE DETECTIVE</u>	Department of State Police Certification Unit
Michigan	<u>Private Detective or Private Investigator</u>	Michigan State Police Private Security and Investigator Unit
Minnesota	<u>Private Detective or Private Investigator</u>	Private Detective and Protective Agent Services
Montana	<u>Private Investigators</u>	Montana Board of Private Security Patrol Officers and Investigators
Nebraska	<u>Private Detective</u>	Nebraska Secretary of State
Nevada	<u>Private Investigator</u>	Office of the Attorney General Private Investigator's Licensing Board
New Hampshire	<u>Bail Bondsmen, Professional</u>	Bureau of Securities Regulation NH Department of State
New Hampshire	<u>Bail Recovery Agents</u>	Bureau of Securities Regulation NH Department of State
New Hampshire	<u>Private Investigators</u>	Permits and Licensing Unit NH State Police
New Jersey	<u>PRIVATE INVESTIGATOR</u>	Department of Law and Public Safety Division of State Police Identification Unit
New York	<u>Private Investigator</u>	NYS Department of State Division of Licensing Services
North Carolina	<u>Private Investigator</u>	NC Department of Justice Private Protective Services Board
North Dakota	<u>Private Investigator</u>	Executive Director ND Private Investigative and Security Board
Ohio	<u>Private Investigator License</u>	Ohio Department of Commerce Division of Real Estate and Professional Licensing
Oklahoma	<u>Private Investigator</u>	Council on Law Enforcement Education and Training
Oregon	<u>INVESTIGATOR, LICENSED</u>	Oregon Board of Investigators
South Carolina	<u>PRIVATE DETECTIVE</u>	State Law Enforcement Division (Regulatory Services)
Tennessee	<u>PRIVATE INVESTIGATOR</u>	Private Investigating Commission Division of Regulatory Boards Department of Commerce and Insurance
Tennessee	<u>PRIVATE INVESTIGATOR CERTIFIED TRAINER</u>	Private Investigating Commission Division of Regulatory Boards Department of Commerce and Insurance
Texas	<u>PRIVATE INVESTIGATOR/SECURITY GUARD</u>	Texas Board of Private Investigators and Private Security Agencies
Vermont	<u>Private Investigator and Security Guard</u>	Board of Private Investigative & Security Services Office of Professional Regulation Office of Secretary of State
Washington	<u>Private Investigative Armed</u>	Department of Licensing Private Investigator Licensing Program Private Investigators

State	License Name	Licensing Agency
Washington	<u>Private Investigative Unarmed</u>	Department of Licensing Private Investigator Licensing Program Private Investigators
West Virginia	<u>Private Investigator</u>	West Virginia Secretary of State
Wisconsin	<u>PRIVATE DETECTIVE</u>	Dept of Regulation & Licensing Direct Licensing & Real Estate Bureau

Source: America's Career InfoNet, [http://www.acinet.org/acinet/licensedoccupations/lois\\_state.asp?by=occ](http://www.acinet.org/acinet/licensedoccupations/lois_state.asp?by=occ)  
June, 2006, updated March, 2007.



**Paper: Anchorage Daily News (AK)**  
**Title: LAW MAY NOT SUFFICE TO PROTECT PRIVACY**  
**Date: August 16, 1992**

If there's any lesson Alaskans should have picked up from Alyeska's investigation of internal leaks, it's that they have less protection from prying than they may have thought. In their efforts to uncover leaks, Alyeska Pipeline Service Co.'s private investigators swiped people's trash and got their home telephone records, criminal records and credit reports, among other things.

Some of what the operatives did, such as taking trash, appears to be legal. Other actions, including getting telephone records, are considered borderline because of loopholes in federal and state laws and it is unclear which of those actions if any could trigger prosecution.

But investigators say privacy laws are changing rapidly to offer more protection in a computerized age in which more information is more easily accessed than ever before. At least some private investigators say they also have faced increased scrutiny over the past several years from prosecutors who have begun to read existing laws more broadly or enforce laws they had ignored before.

The changes have created some bitterness among private investigators, who complain that law enforcement officials are quite willing to prosecute them, but unwilling to teach them where the new lines are. They also say limiting information will inhibit the legitimate attempts of people to get information, including searches for information to help locate deadbeat dads or the natural parents of adopted children.

One investigator who apparently found himself bumping up against the shifting rules was Ron Eriksen, the mysterious Arizona information broker who may have helped Alyeska's investigators get people's telephone records.

Eriksen's colleagues in Arizona say the talented and well-known investigator had become increasingly fearful he would be snared by over-zealous prosecutors because he operated in the "gray area" between what is clearly legal and what is not.

Obtaining telephone toll records falls in the middle of the gray area, according to Phoenix investigator Scott Bressette and Leroy Cook, co-owner of "The Resource Line," an Arizona-based service that links investigators with clients.

Eriksen left the business after the Alyeska investigation. His friends say they don't know where to find him.

"(Eriksen) has been a valuable source of hard-to-get information for people trying to run down thieves, con artists, bad guys," Cook said. After the recent crackdowns, he said, "Ron said, 'Hey, I don't need to deal with people in that kind of world.'"

Bressette and Cook attribute the information brokering crackdown, in part, to the 1989 murder of rising young actress Rebecca Schaeffer. National news stories have made the same point.

Schaeffer, a co-star on the TV sitcom "My Sister Sam," was gunned down at the security door of her apartment in Los Angeles. According to The Los Angeles Times, her killer tracked her down with the aid of a private investigator who obtained her address from department of motor vehicle records.

After her death, California attempted to place those records out of reach of private investigators, although by last year at least some investigators had figured out ways around the law.

Nonetheless, Bressette and Cook say, the actress's death made a clear impression and activated privacy groups nationwide to push for more stringent laws like California's.

Bressette himself was snagged in a crackdown on information brokering last year when he was indicted for illegally obtaining Social Security information.

At the time, federal authorities said their investigation into government information leaks was only the first step in their attempts to stop the high-tech pilfering of Americans' right to privacy.

"It shook up the whole industry," Cook said. "Nobody trusts anybody anymore."

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Author: KIM FARARO Daily News business reporter Staff  
Section: Nation  
Page: A9  
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**Paper:** Anchorage Daily News (AK)

**Title:** WASILLA LANDLORD PLEADS NO CONTEST TO PEEPING ON RENTERS

**Date:** March 26, 1998

A Wasilla landlord who secretly spied on tenants through two-way mirrors and peepholes connected to a series of hidden passageways pleaded no contest Wednesday to burglary and indecent viewing.

Lynn Lacey, 44, entered the plea in state Superior Court in Palmer. He originally had faced more than 20 criminal counts, including possession of child pornography and theft, after Alaska State Troopers found last year that he had been spying on and stealing from renters at his apartments on Buttercup Street in Wasilla.

In exchange for his plea, prosecutors agreed to reduce the charges to two counts of indecent viewing, one count of second-degree burglary and one count of offering a false document for recording. Prosecutors said Lacey transferred ownership of his property to a fictitious company.

Lacey's spying was discovered last summer after a tenant, who worked as a framer, became suspicious about the size of the rooms. He thought they were too small in relation to the Quonset hut that housed the apartments.

The man's suspicions were confirmed when he shined a flashlight through a bathroom mirror and saw an unfamiliar room. Another tenant then discovered a trap door in his bedroom and several holes drilled into the back of a bookshelf wall, which looked into a large, dark room.

Troopers who searched the apartments found several hidden passages leading back to Lacey's apartment and a secret room containing photographs of nude men and women, dozens of pairs of women's underwear and dozens of pornographic videos. Items from the tenants, including lingerie and a bottle of lotion, also were found.

Lacey told officers at the time that he'd acquired the items in his work as a **private investigator** and owner-operator of a wrecking service. He also said he knew about one of the mirrors and all of the secret areas, but never used them or the peepholes in the seven years he had lived there off and on.

In addition to facing a sentence of up to eight years in prison, Lacey also is a defendant in civil suits filed by three former tenants.

His sentencing is scheduled for June 29.

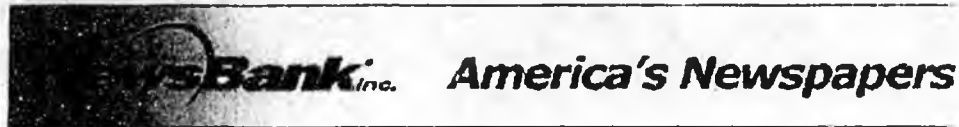
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*Author: S.J. Komarnitsky Daily News Mat-Su Bureau Staff*

*Section: Metro*

*Page: B1*

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**Paper:** Anchorage Daily News (AK)  
**Title:** METRO NEWS  
**Date:** February 7, 1986

DNR seeking volunteers The Alaska Department of Natural Resources is seeking volunteers to work in the agency's information center on the 10th floor of the Frontier Building in Anchorage, according to spokeswoman Mike Lee. Volunteers would be trained to help explain the operation of state parks, state forests and land disposals to the general public. Volunteers also would have some opportunities for travel, he said. They also would receive employee service credits and could list their volunteer experience when applying for state jobs. For more information, call Lee at 762-4532. Anchorage man charged PALMER -- Police here filed charges of **impersonating** a public servant Tuesday against an Anchorage man who claims to be a **private** detective. According to court records, Kenneth Gage, 21, falsely identified himself as a social worker Dec. 9 at Valley Hospital, and proceeded to examine a burn on a child. The same day, he told a Palmer police dispatcher he was an Anchorage Police Department **investigator** and requested confidential information on how to contact a person for an interview, the charges state. Gage also faces a concealed weapon charge in Anchorage. He was released on his own recognizance Tuesday. Daily News staff reports

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*Author: Daily News staff reports Staff*  
*Section: Metro*  
*Page: C3*  
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**ANDY KLAMSER**  
CIVIL & CRIMINAL INVESTIGATIONS  
klamser@alaskainvestigations.com



PO BOX 4394, HOMER, AK 99603  
(907) 299-1989 • fax (907) 235-6610  
[www.alaskainvestigations.com](http://www.alaskainvestigations.com)

**CAROL KLAMSER, ANP, MSN, PA-C**  
MEDICO-LEGAL CONSULTING  
cklamser@alaskainvestigations.com

March 13, 2007

Representative Bob Roses  
State Capitol, Room 103  
Juneau, AK. 99801-1182

Dear Representative Roses,

I am writing to you concerning HB 158 (An Act Providing for the Licensing and Regulation of Private Investigators and Private Investigator Agencies).

I have lived and worked in Alaska for nearly thirty years; twenty six of them in Homer. I retired after twenty years in law enforcement and I have worked in the private sector doing investigations for law firms and insurance companies for the last ten years.

I hope you will support this bill. Alaska is one of only a small handful of states that still has no licensing mechanism for the private investigation industry. I suspect that we are in the unusual situation of actually trying to get the state to regulate us. I fully understand that the state is not in the position to be taking on any new and unnecessary expenses. It is our hope that licensing can be accomplished with little expense to the state and that what expense there is will primarily be covered by licensing fees. Our state association (the Alaska Investigator's Association) has been working to try and accomplish licensing regulation for at least ten years.

I believe licensing is long overdue and very necessary for the following reasons:

- The use of private investigators for legal investigations, insurance investigations, workplace investigations and due diligence investigations has greatly increased in the last fifteen years. In Alaska anyone can hang out a shingle and call themselves a private investigator, including felons. These same folks can end up conducting criminal defense investigations and complex civil litigation investigations and know nothing about victim rights laws, consumer privacy laws, rules of evidence, etc. During this same time period there has been a significant increase in the number of state and federal laws that can impact the work a private investigator does (particularly in the areas of consumer privacy/identity theft and in victim's rights related to criminal cases, particularly in the area of sexual assault and child abuse).

- o Because Alaska has no regulatory authority over private investigators, there is no requirement that they maintain professional liability and errors/omissions insurance. This creates a situation where an injured consumer has little economic recourse should they attempt to recover damages from an errant investigator. For many years the state has had strict licensing authority over process servers; including a bonding requirement, extensive background investigation, written test, etc. Yet process servers merely deliver court papers. Investigators are interviewing witnesses and victims in civil and criminal cases, gathering evidence in criminal and civil cases, conducting covert surveillance for insurance companies and accessing consumer information in order to conduct background checks; all without any oversight or requirements for background checks, training, continuing education, insurance, etc.
- o From a business standpoint, I have been financially impacted by the lack of state licensing. Most states require private investigators to be licensed. I am frequently contacted by potential corporate clients and law firms Outside who want to make sure whoever they hire is licensed by some governmental authority. These potential clients are increasingly sending people to Alaska from elsewhere because there is no regulatory authority here.
- o Many states are currently working out reciprocity agreements. These allow an investigator licensed in one state to enter another state to conduct investigations for a limited amount of time. Currently, when I have to travel to another state as part of an investigation originating in Alaska I have to hire an investigator licensed in that state to "supervise" me. This creates significant additional ( and unnecessary) expense for the Alaska client.
- o It has become more and more difficult to find insurance companies willing to write professional liability policies for investigators in Alaska because the state has no licensing laws.
- o There are federal statutes that now govern what consumer information can be released to private investigators and under what circumstances. These statutes govern financial records, credit records, phone records and the like. There is increasing federal pressure to restrict all access to this information to private sector investigators *that are licensed by their respective states*. I believe that it is only a matter of time before investigators working in the few states without state regulation and oversight will be barred from access to this information (which we routinely use for our clients in court cases). When that happens, the business will shift to firms Outside.

Please feel free to contact me if you have any questions or concerns. I am hopeful that you can support this legislation and help our *local* industry stay professional, responsible and productive.

Respectfully,

Andy Klamser

# ON CALL

## BUSINESS SERVICES

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PO Box 220725  
Anchorage, Alaska 99522

Telephone: 907- 929-4394  
Facsimile: 907-929-4395  
Email: akbailey@gci.net

March 12, 2007

The Honorable Bob Roses  
Member, Alaska House of Representatives  
State Capitol, Room 416  
Juneau, Alaska 99801-1182

Re: House Bill No. 158  
Private Investigator Licensing

Dear Representative Roses:

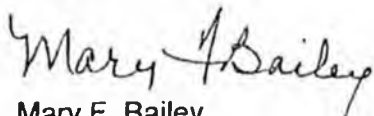
I work as a private investigator in Anchorage and am the sole proprietor of ON CALL Business Services. I am licensed as required by the State of Alaska (Business License) and the Municipality of Anchorage (Private Detective Agency Business License) and am insured.

I am writing to request your support of HB 158 which will require that all investigators be licensed and insured. It will lend credibility to our profession and ensure that the investigators who operate are qualified to do so which will benefit the public. Since Alaska is one of the few states that do not require licensing, if this is not remedied it will eventually mean that the jobs will go to outside investigators who are licensed. Vendors are already beginning to limit access to their databases to licensed investigators.

The time has come for change—please support HB 158. Your assistance and consideration will be greatly appreciated.

Sincerely,

**ON CALL**  
Business Services



Mary F. Bailey  
Owner/Investigator

mfb.RepresentativeRoses31207.doc

**Alaska Investigators Association**  
P.O. Box 202314 Anchorage, AK 99520  
Fax: 1-866-370-1369 / aia@gci.net



**2007 Board of Directors**

**Denise Petty**-President  
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**Bruce Morrison**-Director

**BY FAX AND EMAIL**

**Rep. Bob Roses**

**Attention: Tim Martinson, Legislative Assistant**

Phone (907) 465-4939

Fax (907) 465-2418

Email [tim\\_martinson@legis.state.ak.us](mailto:tim_martinson@legis.state.ak.us)

Re: HB 158

Representative Roses,

My name is Denise Petty and I am the current President of the Alaska Investigators Association. I am writing this letter at the request of the Board of Directors who support the current pending House Bill 158, which addresses the Licensing of Private Investigators in Alaska.

State Licensing of Private Investigators in Alaska is needed for many reasons. First and foremost, it is needed to protect consumers. In Alaska anyone can hang out a shingle and call him or herself a private investigator, including those with recent felony convictions. These same folks can end up attempting to conduct criminal defense investigations and complex civil litigation investigations and know nothing about victim rights laws, consumer privacy laws, rules of evidence and can cause great harm to the client.

To allow anyone who so desires to offer investigative services to consumers, without regulatory oversight, opens the door to do great harm on a large scale. Alaska has no regulatory authority over private investigators; there is no requirement that they maintain professional liability and errors and omissions insurance. This creates a situation where an injured consumer has little economic recourse should they attempt to recover damages from an errant investigator. Licensing as envisioned in HB 158 provides only those of good moral character, meeting educational requirements and carrying insurance will be afforded the privilege of being a Private Investigator. This protects the Citizens of the State of Alaska.

Many of us providing private investigation services have been negatively impacted from a financial standpoint due to the lack of licensing on a state level. Many law firms and insurance companies require a state license as part of their criteria for hiring an investigator. As Alaska currently does not have a state license, these potential clients in turn send investigators from other licensed jurisdictions to work cases in Alaska, thereby limiting the earning potential of the Alaskan investigators. Additionally, not having a state license eliminates Alaskan Investigators from working cases in other states, if the case requires such, because we cannot offer reciprocity without licensing. Locating and hiring an investigator in another jurisdiction is costly and it is time-consuming, which cause the investigator's clients additional costs.

Recent changes in Federal Privacy Laws have caused Insurance rates to increase, with the threat of non-coverage of for investigators in unlicensed states looming on the horizon. Additionally, access to information databases and resources are quickly following suit. It very well may be that in the future, non-licensed investigators will be stripped of their databases and ability to obtain liability insurance. When this happens, there will be a tide of Outside investigators migrating into Alaska who will be working Alaska cases, reaping the financial rewards while contributing nothing substantial to the Alaskan economy. Additionally, their working knowledge of Alaska Criminal and Civil Laws will most likely be limited, thereby increasing the liability exposure to their clients.

Private Investigation, as an industry, has evolved substantially in the past ten years. Despite some irritating stereotypes that prevail to this day, the modern investigator contributes much to both the legal and private sectors. For example, Insurance Investigations assists in preventing rates from skyrocketing by exposing fraud. Criminal and Civil Case Investigation helps alleviate the burden on an already over-taxed Court System, as well as helping provide an adequate defense to the average consumer of the law. Families reunited, debtors located for both Small Business and Child Support purposes, and locating missing/endangered persons are all just tip-of-the-iceberg examples of how beneficial Private investigation services are to the public. It is a profession requiring specific skills, ethics, standards and knowledge, and HB 158 will ensure that those who practice the profession of Private Investigations will have met these standards.

By supporting this Legislation, you can help our local industry remain responsible and productive. HB 158, can be summed up to one word: accountability. Thank you for your time and consideration in this most important matter.

Respectfully,

Denise M. Petty  
President  
Alaska Investigators Association

Cc: AIA Board of Directors  
Tres Lewis, Legislative Liaison



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California Association of Licensed Investigators, Inc.

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March 21, 2007

Representative Bob Roses  
Tim Martinson, Legislative Assistance  
Alaska State Capitol  
Juneau, AK 99801-1182  
Sent via fax: 907-465-2418

RE: HB 158 - Support

Dear Mr. Roses:

The California Association of Licensed Investigators (CALI) support House Bill 158, which addresses the licensing of private investigators in Alaska.

State licensing of private investigators in Alaska is desperately needed for many reasons. Primarily, there is a need to protect consumers. Currently no requirements exist for individuals who call themselves a private investigator. These individuals may have no knowledge about victim rights laws, consumer privacy laws, rules of evidence, or other related laws necessary to be a competent private investigator. Because there is currently no regulatory oversight, private investigators aren't required to maintain professional liability and errors/omissions insurance which offers protection to a consumer who is harmed by the actions of an incompetent investigator.

HB 158 provides parameters for which individuals who wish to work as private investigators in Alaska are required to be of good moral character, meet educational requirements and carry adequate insurance. The passage of HB 158 will not only protect consumers but will assist in establishing professionalism to those who work in this industry.

Without a state license requirement, private investigators in Alaska frequently are unable to perform investigations for law firms and insurance companies as that is a prerequisite in hiring an investigator. This requires private investigators from outside Alaska to be brought in at great expense as well as eliminating the employment opportunities for investigators living in Alaska. Without this license, Alaska is also ineligible for reciprocity with other states including California.

Finally, with the recent changes in the federal privacy laws resources that are utilized by professional private investigators may be lost to those individuals who are operating within a state without a licensing requirement.

The passage of HB 158 will secure jobs Alaska for private investigators, to protect consumers who utilize the services of a private investigator, as well as increase the accountability and professionalism of the private investigator industry in your state.

We respectfully request your support of HB 158 on behalf of the private investigators in the state of Alaska and California

Most sincerely,

Nick Savala  
President

C · A · L · I



4400 Route 9, Suite 1000  
Freehold, NJ 07728-7198  
Tel: 732-308-3800  
Fax: 732-303-3314  
www.PImagazine.com

March 19, 2007

Representative Bob Roses  
Attn: Tim Martinson  
State Capitol 416  
Juneau, AK 99801-1182

Re: Support for HB 158

Dear Representative Roses,

This communication is made on behalf of our 30,000 nationwide readers who support legislation requiring the licensing of private investigators anywhere in the United States. As such, I am personally writing to you in an effort to encourage your support of HB 158 (An Act Providing for the Licensing and Regulation of Private Investigators and Private Investigator Agencies).

Alaska is only one of 8 remaining states that still have not established statewide legislation to regulate the investigative profession. Even though some sort of licensing already exists in Anchorage and Fairbanks, the licensing of all private investigators should be uniform throughout the entire state.

Even though I am not a resident of your beautiful state, many of our subscribers who are, have asked for my personal support. As a private investigator for the last 28 years and the owner of the only trade magazine for professional investigators in the world, I am keenly aware of the benefits of licensing. As a result, I was recently asked to help in re-write the entire New Jersey Private Detective Act of 1939. Much has happened in the last 68 years and New Jersey legislators have recognized the need to update the Act.

The investigative profession has dramatically changed in recent years and private investigators have now become an instrumental tool in helping fight terrorism in America. We are hired to conduct background checks on individuals to prevent fraud and identity theft, conduct surveillance to verify insurance fraud, assist law enforcement and the general public in locating witnesses, fugitives, and myriad of other highly specialized services.

Individuals who have no experience, no training, no formal education, and are not bonded or insured, should NOT be allowed to perform investigative services without some sort of statewide licensing. I am amazed that basically anyone in Alaska can call themselves a PI and take thousands of dollars from consumers whom they believe are qualified and part of a regulated professional. By allowing this to happen, Alaska legislators are actually contributing to the abuses that occur in an unregulated profession.

That is why almost every state has enacted legislation to set minimum standards in an effort to protect the public. I'm sure there are a few people currently working as a private investigator who don't want to be legislated. They want to be able to continue operating under the radar and refuse to recognize that the days of the gumshoe are long gone.

Federal legislation is enacted on a regular basis that significantly impact what private investigators can and can not do. However, without licensing, there is no official mechanism in place for investigators to become aware of them. Fortunately, for the residents of Alaska, they have the Alaska Investigators Association led by their President, Denise Petty. I encourage you to meet and speak with Denise so she can provide you more detailed information from a person extremely knowledgeable of the needs of investigators and the residents of Alaska.

I find it very interesting that Alaska did recognize the need for licensing process servers, yet not private investigators. You have a bonding requirement; require an extensive background investigation of each applicant, and require a written test for process servers, yet private investigators who regularly investigate criminal cases, civil investigations, interview key witnesses, testify in court, gather and maintain evidence, conduct covert surveillance for insurance companies, have access to confidential consumer information, and perform many other quasi law enforcement duties, yet no license is needed. Anyone with a business card can offer these services in Alaska with NO qualifications...and Alaska legislation allows this!

I respectfully request that you support HB 518 and the efforts of the Alaska Investigator's Association in their efforts to protect the residents of the great state of Alaska. Please feel free to contact me for any statistics about the investigative profession or anything else you would like to know about the benefits of legislating private investigators.

Respectfully,



Jimmie N. Mesis  
Editor-in-Chief



## NATIONAL ASSOCIATION OF LEGAL INVESTIGATORS, INC.

**NATIONAL DIRECTOR**

Alan Goodman  
P.O. Box 8479  
Portland, ME 04104  
(888) 244-5685  
aglis@aol.com

**ASST. NATIONAL DIRECTOR**

*Vacant*

**NATIONAL SECRETARY**

Paul A. Jacob  
900 Rand Tower - 527 Marquette Ave.  
Minneapolis, MN 55402  
(612) 371-9255  
pjacob@heartlandinfo.com

**REGIONAL DIRECTORS**

**I - Troy Fleming**  
223 E. Main St., 3<sup>rd</sup> Floor  
Salem, VA 24153  
(540) 444-1010  
troym@bjattys.com

**II - Thomas P. Cole, CLI**  
247 Lafayette Ave., NE  
Grand Rapids, MI 49503-3306  
(405) 721-4231  
tangocharlie@hotmail.com

**III - Burt P. Hodge**  
842 E. Park Avenue  
Tallahassee, FL 32301  
(850) 561-3990  
Amadillo@nxus.com

**IV - Beau Huse**  
POB 787  
Bonneville, MS 38829  
(662) 728-3138  
bhuse@langstonlaw.com

**V - Neeta A. McClintock**  
POB 599  
Edwardsville, IL 62025  
(618) 541-3093  
neeta@mac@sbcglobal.net

**VI - Joe Dickerson**  
215 Union Blvd. Ste 150  
Lakewood, CO 80228  
(303) 864-9900  
jdickerson@DickersonGroupInc.com

**VII - Ernest C. Barth, CLI**  
P.O. Box 4488  
Seattle, WA 98134-0488  
(206) 467-7025  
roverfielddesk@yahoo.com

March 20, 2007

The Honorable Bob Roses  
Alaska State Legislature

Attention: Tim Martinson, Legislative Assistant. Fax 907-465-2418

Re: HB 158 SUPPORT

Dear Representative Roses:

I am writing this letter in support of Alaska House Bill 158 and on behalf of the National Association of Legal Investigators (NALI).

The National Association of Legal Investigators (NALI) is comprised of professional legal investigators who actively engage in negligence investigations for the plaintiff and/or criminal defense, and who are employed by investigative firms, law firms or public defender agencies. NALI members are located throughout the United States as well as countries outside the United States. The common bond of these legal investigators is their specialization in the litigation arena and working with attorneys to prepare cases for trial.

Members of NALI wholly support state regulation. Alaska is one of less than ten states in the nation without a law for licensing private investigators.

First and foremost, licensing protects Alaska consumers through state oversight. Licensing investigators within the parameters of HB 158 provides that only those meeting the educational requirements, carrying the required insurance and being of good character have the privilege of conducting private investigators in Alaska.

If there are questions regarding this letter, please do not hesitate to contact me at my California office. 510-986-8114.

Sincerely,

Francie Koehler  
Chair, Legislation Committee



# UNITED STATES ASSOCIATION OF PROFESSIONAL INVESTIGATORS

1201 Pennsylvania Avenue NW, Suite 300 • Washington, DC • 20004 USA  
tel: 202.393.5900 or 866.95.USAPI • fax: 202.478.2610  
Info@USAPI.org • www.USAPI.org

Rep. Bob Rose

Tim Martinson, Legislative Assistant  
Phone (907) 465-4939  
Fax (907) 465-2418  
Email [tim\\_martinson@legis.state.ak.us](mailto:tim_martinson@legis.state.ak.us)  
Re: HB 158

Dear Mr. Rose:

I am writing to you in support of the current pending House Bill 158, which addresses the Licensing of Private Investigators in Alaska. The United States Association of Professional Investigators is a national trade association for professional investigators in both the private and the public sector. Our focus is on the education and certification of all professional investigators. Our membership includes investigators across the United States with a number of our members holding joint membership with the Alaska Investigators Association. We wish to add our voices to the chorus of support for this action.

USAPI is urging you support for this bill for several extremely important reasons. Primary among them is the protection of the consumer. Absent standards and licensing, anyone who holds themselves out as an investigator can offer investigative services without having to demonstrate even the most basic professional competence or experience. There is no requirement that they maintain professional liability and errors/omissions insurance for the protection of their clients and that leaves consumers with little or no recourse in the event of incompetence or misconduct on the part of unlicensed, unregulated investigators.

Licensing Investigators within the strictures of HB 158 will provide that only those of good moral character, who are able to meet educational and experience requirements and who carry insurance will be allowed to conduct Private investigations within Alaska. This is a very important step which protects the consumer.

In this day and in this age of rapidly evolving technology, one only has to look at the headlines to see the significant issues that arise from the use and misuse of information. Privacy questions and the state and federal regulations regarding information are becoming more complex all the time. The need for licensing and regulating investigators becomes greater with each passing day.

So, not only does HB158 make solid legal sense but from a practical and financial stand point, investigators in states without licensing standards and requirements are placed at a serious disadvantage. Many insurance companies and law firms will not hire investigators that are unlicensed. This means that out of state investigators, unfamiliar

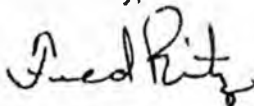
with Alaskan law and practices are hired and sent into Alaska to conduct investigations that should generate income for Alaskan investigators and revenue for the state of Alaska. Without licensing, it is more expensive and difficult for Alaskan investigators to work investigations requiring work in other states because there can be no reciprocity with licensure making them less competitive. As restrictions on information access continue, unlicensed investigators will be at an even greater disadvantage.

Private investigators have long been stereotyped in books movies and television shows. The truth of the matter is that they perform valuable services for large segments of society which include the courts; civil, criminal and family, insurance companies, the financial industries and businesses too numerous to mention.

I can think of no valid arguments against the reasonable and rational approach contained in HB158 except those made by individuals who place self interest above the public welfare and the good of the industry.

Increased professionalism, higher standards of performance and accountability will be the result of the changes that House Bill 158 will bring. The public and the investigative industry will both benefit. I thank you for consideration and ask you to lend your support to this matter

Sincerely,

A handwritten signature in cursive script that reads "Fred Ritz". The signature is written in dark ink and is positioned above the typed name.

Fred Ritz  
President

**United States Association of Professional Investigators**



**DC RECOVERY & INVESTIGATIONS**  
748 GAFFNEY RD. STE. 104  
FAIRBANKS, ALASKA 99701  
Tel . (907) 374-4633 Fax 1.866.370.1369  
dcri@gdi.net www.dcrionline.net

**BY FAX AND EMAIL**

Rep. Bob Roses  
Attention: Tim Martinson, Legislative Assistant  
Phone (907) 465-4939  
Fax (907) 465-2418  
Email tim\_martinson@legis.state.ak.us

**Re: HB 158 Testimony**

Wednesday, March 28, 2007

Representative Roses,

My name is Denise Petty and I writing this letter with respect to my testimony regarding HB 158. To introduce myself: I own and operate DC Recovery & Investigations (DCRI), which is located in Fairbanks, Alaska. I lease an office in downtown Fairbanks. I have been a Private Investigator for four years. Highlights of my prior work experience include as a Federal Judicial Secretary / Judicial Clerk, ECRS, Paralegal and law office Manager. I received an AAS in Paralegal Studies from UAF in 2002, and my Master Detective certification from the Detective Training Institute in 2006 (accredited).

I have a current Alaska Business License; Fairbanks Municipal Private Investigator's License and a City of Fairbanks Business License. (Recently enacted, to be issued as of April 15<sup>th</sup>) I am bonded and also carry Errors and Omissions Insurance. I am the President of the Alaska Investigator's Association, and am a member of the following organizations: United States Association of Private Investigators, National Council of Investigation and Security Services, and the National Association of Investigative Specialists.

Alaska currently has no regulatory authority over private investigators; there is no requirement that they maintain errors and omissions, as well as liability insurance. This creates a

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Our Clients Privacy and needs always come first.

situation where an injured consumer has little economic recourse should they attempt to recover damages from an errant investigator. Licensing as envisioned in HB 158 provides only those of good moral character, meeting educational requirements and carrying insurance will be afforded the privilege of being a Private Investigator. This protects the Citizens of the State of Alaska.

To borrow from the letter I wrote on behalf of the AIA Board members: Many of us providing private investigation services have been negatively impacted from a financial standpoint due to the lack of licensing on a state level. Many law firms and insurance companies require a state license as part of their criteria for hiring an investigator. As Alaska currently does not have a state license, these potential clients in turn send investigators from other licensed jurisdictions to work cases in Alaska, thereby limiting the earning potential of the Alaskan investigators. Additionally, not having a state license eliminates Alaskan Investigators from working cases in other states, if the case requires such, because we cannot offer reciprocity without licensing. Locating and hiring an investigator in another jurisdiction is costly and it is time-consuming, which cause the investigator's clients additional costs.

I have additional concerns, of a financial nature. Recent changes in Federal Privacy Laws have caused Insurance rates to increase, with the threat of non-coverage of for investigators in unlicensed states looming on the horizon. Additionally, access to information databases and resources are quickly following suit. It very well may be that in the future, non-licensed investigators will be stripped of their databases and ability to obtain liability insurance. When this happens, there will be a tide of outside investigators migrating into Alaska who will be working Alaska cases, reaping the financial rewards while contributing nothing substantial to the Alaskan economy. As it currently stands, there are investigators coming to Alaska to work cases on what I refer to as a hit-and-run basis. They amass multiple cases, fly up, work the cases and leave. Aside of the small amount spent on rental cars, meals and hotels, Alaska is not benefiting from this. It is, however, negatively impacting Alaskan PI's who live here, operate our businesses here, and pay the necessary costs to do so.

I would like to expand further with additional information regarding the above concerns. First, I would like to address the potential harm to consumers. I have conducted some research regarding cases where consumers were injured by an individual calling themselves a "Private Investigator". I will not go into specifics at that time, but I can provide details upon request.

1) A man referring to himself as a PI was arrested for sneaking into a women's bathroom in the State Building located in Fairbanks, Alaska. He hid in a stall and viewed women through a

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gap in the dividers. A woman caught him, and he was arrested and prosecuted in 1997 for this crime. However, he was granted an Alaska business license in 2003 as a Private Investigator.

- 2) A man was arrested in 2004 in Anchorage Alaska for molesting two girls, aged 12 and 16. He not only referred to himself as a PI, but also carried and distributed a card that designated himself as a "Special Private Investigator, Lead Detective." This card included an official-looking insignia that must have impressed those two young ladies. This man had a history of criminal offenses, and as many as 9 aliases. I located 10 felonies and 6 misdemeanor offenses for this person, some offenses going back to 1989.
- 3) Another man was arrested for 3 felony sexual assault charges, 2 felony forgery and a felony charge for impersonation of a public servant in 1998, after being granted an Alaska Business License, as a PI, in 1997.
- 4) Another in palmer/Wasilla area acting and holding himself out to be a PI with a bankruptcy and 2 felony sexual assault charges.
- 5) Yet another man acting as a PI who had domestic violence and hindering prosecution convictions.
- 6) I once had a client who came to me as, after his vehicle was impounded, a man referring to himself as a PI offered to get his vehicle out of impound for him if he signed the title over (allegedly on a temporary basis) and paid him \$500.00. My client was wary, and with good reason. After doing some investigation of my own on this "PI", I discovered that this person had been convicted of stalking, had been accused of molesting his son (his son shot him, nearly killing him for this), and was frequently overheard telling people he worked for the CIA, FBI and DEA, but was so covert that they would deny any knowledge of him. He also took credit for bringing Pablo Escobar to justice.

These are just a few examples, sadly. While requiring a PI license is not going to keep Sex Offenders from offending, as an example, it gives the consumer a reliable way to verify whether that is indeed their occupation.

Another concern I have mentioned is that there are a number of outside companies that come into Alaska and work Alaska cases due to the fact that their client requires a state license to hire that investigator. I reviewed some information a colleague sent me using Alaska business license records, and while I was aware there were a number of these investigators and companies coming here to work, I was literally appalled to find that number, conservatively, to be in the

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3

ballpark of 40 entities/individuals. I am sure that number is much higher, when you factor in those that have not applied for a business license, and those companies that send in more than one investigator. Requiring PI licenses for outside companies and limiting the number of days that they can work in Alaska each calendar year will greatly improve the economic situation for the Alaskan Investigator. And, as mentioned above, having licensing in place will assist both the Alaskan investigator and their clients when it comes to reciprocity, for those cases that require work in another state.

What is of equal concern are the number of persons who advertise in the Anchorage area phone books under "Private Investigator", "Detectives", "Investigators" that do not have a business license, which is a requirement to do business in the state of Alaska. Individuals such as these, who disregard (or are ignorant of) even the simplest of laws, are persons who I seriously doubt are going to have the skills and professionalism required to conduct a legal, ethical and effective investigation.

Education is another area where licensing will assist both the consumer and the investigator. It is beyond me how any person without a reasonable working knowledge of the law would think, even for a minute, that they could effectively act as an investigator. I have heard from some that it is their belief that doing a simple surveillance case has nothing to do with the law. This perception is incorrect. For example, in a domestic or insurance case, knowledge of issues such as expectation of privacy, trespass, wire-tapping, communication with a party who is represented by an attorney, and stalking are all critical to conducting a valid, legal investigation. Both Federal and State laws are ever-changing, and having continuing education guidelines ensures that those in this profession who wish to remain in business will continue to learn.

Lastly, I would like to touch on the issue of moral character. While morality can be viewed as a somewhat subjective term when applied to society as a whole, it becomes a more narrowly defined term when applied to a profession. Allowing individuals with criminal records, multiple bankruptcies, domestic assault charges or dangerous driving records into a profession where there is an expectation of ethics, professionalism, confidentiality and competency greatly demeans *all* in the profession.

Despite the stereotype of PI's being able to use "whatever means necessary" to conduct their investigation, those of us in this profession, as professionals, know the laws and limitations of what we can and cannot do. Private Investigation, as an industry, has evolved substantially in the past ten years. We first do no harm, much as a physician. We do not trample one person's

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Our Clients Privacy and needs always come first.

4

rights, acting as judge and jury to further the interests of our clients. We are the "good guys", helping our clients in a manner that will still further their interests and meet their needs, but without trampling on the rights of others. Despite some irritating stereotypes that prevail to this day, the modern investigator contributes much to both the legal and private sectors. For example, Insurance Investigations assists in preventing rates from skyrocketing by exposing fraud. Criminal and Civil Case Investigation helps alleviate the burden on an already over-taxed Court System, as well as helping provide an adequate defense to the average consumer of the law. Families reunited, debtors located for both Small Business and Child Support purposes, and locating missing/endangered persons are all just tip-of-the-iceberg examples of how beneficial Private investigation services are to the public. It is a profession requiring specific skills, ethics, standards and knowledge, and HB 158 will ensure that those who practice the profession of Private Investigations will have met, and continue to meet, these standards.

By supporting this Legislation, you can help our local industry remain responsible and productive. HB 158, can be summed up to one word: accountability. Thank you for your time and consideration in this most important matter.

Respectfully,



Denise M. Petty  
Owner / Investigator  
DC recovery & Investigations  
Fairbanks Municipal Lic. # 2006-0019

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Our Clients Privacy and needs always come first.

5



Austin & Associates

Rep Bob Roses  
State Capitol, Rm 416  
Juneau AK 99801-1182  
Attention: Tim Martinson, Legislative Assistant  
E-mail [tim\\_martinson@legis.state.ak.us](mailto:tim_martinson@legis.state.ak.us)

P. O. Box 110753  
Anchorage, AK 99511  
T 907-345-7059  
F 907-245-6218  
[austin@alaska.net](mailto:austin@alaska.net)

March 20, 2007

Re: HB 158

Dear Representative Roses,

I am writing you in support of HB 158, addressing the licensing of Private Investigators in Alaska.

I have had my own Private Detective Agency the last twelve years. I opened my agency after retiring from the Anchorage Police Department in 1994. Most of my tenure with the Department was in the Detective Division. During my career, I accumulated well over 3000 hours of specialized training in various aspects of investigations. I also investigated all manner of criminal cases, from serial murder, to complex white collar crimes.

Since opening my own agency, I have continued my education and training in this field. Even with my thousands of hours of training and experience, as a police detective, I still had to learn more about the ever changing privacy laws and rules, both state and federal.

Shortly after starting my own agency, I joined the Alaska Investigators Association. Almost immediately, I became involved in researching the issue of PI licensing in the State of Alaska. The PI Licensing Committee, of the AIA, spent many hours on this project. Since we started this research, we found we were one of only a handful of states that did not require a specific license for Private Investigators.

It is very disturbing to me, that at the present time, all one needs is a business license, with no experience or training required. I have personally experienced several unscrupulous, inexperienced, and criminally active, private investigators, both while I was a police detective, and as a private investigator.

Without belaboring the point, I echo my colleagues concerns, not only for the protection of the public, but the economic impact to those of us practicing private investigators in Alaska.

I recently completed researching private investigator business licenses in Alaska. I also randomly checked some against the Alaska Courts data base and sex offender registry. In addition, I checked the Anchorage Yellow Pages, and cross referenced ads for detectives and investigators, with the State of Alaska business license activity code 561611 (Investigation services.)

Number of current active state business licenses for private investigators-	165 total
Number of State business licenses held by firms outside Alaska-	40 total
Number of PI licenses to firms in Alaska-	125 total

(note: Many are locksmiths and/or security alarm companies of the 125.)

There are also a few listed under other activity codes such as legal services.

2006/2007 Anchorage phone book yellow page listings under detectives and investigators-	40
Total number of those listed who's license is current with the State of Alaska-	11
Total number with expired licenses or no license but advertise-	29

In my random search I found the following criminal histories:

Current PI license holders with criminal histories-

1. Sexual assault and registered sex offender out of compliance.
2. Hindering prosecution.
3. Domestic violence assault.
4. Theft.
5. Commercial bribery.

Expired license but advertisement in the yellow pages:

1. Sex crime.
2. Failure to register as a sex offender.

I am aware of other instances where persons calling themselves private investigators committed crimes, such as the person, several years ago, in the Valley was looking through a one way mirror at his tenants in the bathroom.

As a homicide detective with the Anchorage Police Department, I was involved with two cases where families had hired a private investigator. One was a suicide, where a young man shot himself in the head in front of a group of young school children and other adults. He also had a history of suicide attempts. The grieving family could not bring themselves to believe their son had killed himself, so they hired a private investigator, who took their money, investigated, and told the family their son was murdered.

The other case was a homicide. The medical examiner's Initial finding was she died of natural causes. A year or so later, the victim's boyfriend confessed after a bout with his conscience. Before he confessed we lacked the evidence for a prosecution. Again, her family, who were from Mexico, hired a local PI. His claim was that she was killed over some drug dealings. He took their money also. There was never any evidence to support his theory. When the boyfriend confessed we learned it was a domestic violence, No drugs were ever involved.

The last example I'll include in this letter is a case from the late 1990's, I ended up investigating, after a so called PI, with a very official sounding company name, and a big ad in the yellow pages, used his position to; threaten potential witnesses; attempted sexual assault; forged court documents; and impersonated a public servant. He was, and is, well known to law enforcement dating, back to his teens. This was a homicide case and he had no experience what-so-ever in handling such a complex case. The wife of the man charged, looked at his impressive ad in the phone book, and called him.

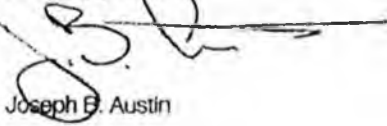
The often voiced opposition from those against Private Investigator licensing, is that the market place will sort them out. Tell that to a citizen, who picks a name out of the phone book, and hires a untrained, inexperienced, or who falls prey to a criminal mind.

HB 158 is desperately needed to protect the public.

The second reason I'm supporting HB 158, is the economic impact on those of us practicing here in Alaska. As I pointed out earlier, there are 40 PI firms from the lower 48, who hold business licenses in Alaska. While some out of state firms may have nation wide contracts, others are here because their clients won't hire locally, a company only displaying a business license. I am frequently asked by outside attorneys and insurance companies, what qualifications, PIs in Alaska, have for licensing.

If you would like more information please feel free to contact me.

Sincerely yours,



Joseph B. Austin

Austin & Associates

## HB 158 support testimony

Andy Klamser  
P.O. Box 4394  
Homer, AK 99603  
907-299-1989

I have lived in Alaska 28 years. I retired after twenty years in law enforcement and I have worked in the private sector for ten years. I have a private investigation business that operates statewide. Nearly all my clients are law firms or insurance companies; occasionally I take a private client. My work is split at about 70% civil and 30% criminal. I belong to a variety of national and international professional organizations.

I hope you will support this bill. Alaska is one of only a small handful of states that still has no licensing mechanism for the private investigation industry. I suspect that we are in the unusual situation of actually trying to get the state to regulate us. I fully understand that the state is not in the position to be taking on any new and unnecessary expenses. It is our hope that licensing can be accomplished with little expense to the state and that what expense there are will primarily be covered by licensing fees. Our state association (the Alaska Investigator's Association) has been working to try and accomplish licensing regulation for at least ten years.

I believe licensing is long overdue and very necessary for the following reasons:

- o The use of private investigators for legal investigations, insurance investigations, workplace investigations and due diligence investigations has greatly increased in the last fifteen years. In Alaska anyone can hang out a shingle and call themselves a private investigator, including felons. These same folks can end up conducting criminal defense investigations and complex civil litigation investigations and know nothing about victim rights laws, consumer privacy laws, rules of evidence, etc. During this same time period there has been a significant increase in the number of state and federal laws that can impact the work a private investigator does (particularly in the areas of consumer privacy/identity theft and in victim's rights related to criminal cases, particularly in the area of sexual assault and child abuse).
- o Because Alaska has no regulatory authority over private investigators, there is no requirement that they maintain professional liability and errors/omissions insurance. This creates a situation where an injured consumer has little economic recourse should they attempt to recover damages from an errant investigator. For many years the state has had strict licensing authority over process servers; including a bonding requirement, extensive background investigation, written test, etc. Yet process servers merely deliver court papers. Investigators are interviewing witnesses and victims in civil and criminal cases, gathering evidence in criminal and civil cases, conducting covert surveillance for insurance companies and accessing consumer information in order to conduct background checks; all without any oversight or requirements for background checks, training, continuing education, insurance, etc.

- From a business standpoint, I have been financially impacted by the lack of state licensing. Most states require private investigators to be licensed. I am frequently contacted by potential corporate clients and law firms Outside who want to make sure whoever they hire is licensed by some governmental authority. These potential clients are increasingly sending people to Alaska from elsewhere because there is no regulatory authority here.
- Many states are currently working out reciprocity agreements. These allow an investigator licensed in one state to enter another state to conduct investigations for a limited amount of time. Currently, when I have to travel to another state as part of an investigation originating in Alaska I have to hire an investigator licensed in that state to "supervise" me. This creates significant additional ( and unnecessary) expense for the Alaska client.
- It has become more and more difficult to find insurance companies willing to write professional liability policies for investigators in Alaska because the state has no licensing laws.
- There are federal statutes that now govern what consumer information can be released to private investigators and under what circumstances. These statutes govern financial records, credit records, phone records and the like. There is increasing federal pressure to restrict all access to this information to private sector investigators *that are licensed by their respective states*. I believe that it is only a matter of time before investigators working in the few states without state regulation and oversight will be barred from access to this information (which we routinely use for our clients in court cases). When that happens, the business will shift to firms Outside.