

State of Arizona
House of Representatives
Forty-fifth Legislature
Second Regular Session
2002

CHAPTER 276

HOUSE BILL 2540

AN ACT

CHANGING THE ARTICLE HEADING OF TITLE 32, CHAPTER 24, ARTICLE 1, ARIZONA REVISED STATUTES, TO "GENERAL PROVISIONS"; AMENDING SECTIONS 32-2401 AND 32-2402, ARIZONA REVISED STATUTES; REPEALING SECTION 32-2403, ARIZONA REVISED STATUTES; AMENDING SECTIONS 32-2404, 32-2405 AND 32-2407, ARIZONA REVISED STATUTES; AMENDING TITLE 32, CHAPTER 24, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-2408; TRANSFERRING AND RENUMBERING SECTIONS 32-2421, 32-2430 AND 32-2431, ARIZONA REVISED STATUTES, FOR PLACEMENT IN TITLE 32, CHAPTER 24, ARTICLE 1, ARIZONA REVISED STATUTES, AS SECTIONS 32-2411, 32-2409 AND 32-2410, RESPECTIVELY; AMENDING SECTIONS 32-2410 AND 32-2411, ARIZONA REVISED STATUTES, AS TRANSFERRED AND RENUMBERED BY THIS ACT; CHANGING THE ARTICLE HEADING OF TITLE 32, CHAPTER 24, ARTICLE 2, ARIZONA REVISED STATUTES, TO "AGENCY LICENSES"; AMENDING TITLE 32, CHAPTER 24, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-2421; AMENDING SECTIONS 32-2422, 32-2423, 32-2425 AND 32-2426, ARIZONA REVISED STATUTES; RENUMBERING TITLE 32, CHAPTER 24, ARTICLE 3, ARIZONA REVISED STATUTES, AS TITLE 32, CHAPTER 24, ARTICLE 4; TRANSFERRING AND RENUMBERING SECTIONS 32-2427 AND 32-2428, ARIZONA REVISED STATUTES, FOR PLACEMENT IN TITLE 32, CHAPTER 24, ARTICLE 4, ARIZONA REVISED STATUTES, AS RENUMBERED BY THIS ACT, AS SECTIONS 32-2459 AND 32-2460, RESPECTIVELY; AMENDING TITLE 32, CHAPTER 24, ARIZONA REVISED STATUTES, BY ADDING A NEW ARTICLE 3; TRANSFERRING AND RENUMBERING SECTIONS 32-2424 AND 32-2429, ARIZONA REVISED STATUTES, FOR PLACEMENT IN TITLE 32, CHAPTER 24, ARTICLE 3, ARIZONA REVISED STATUTES, AS SECTIONS 32-2442 AND 32-2443, RESPECTIVELY; AMENDING SECTIONS 32-2442 AND 32-2443, ARIZONA REVISED STATUTES, AS TRANSFERRED AND RENUMBERED BY THIS ACT; AMENDING SECTIONS 32-2452, 32-2456, 32-2457 AND 32-2458, ARIZONA REVISED STATUTES; AMENDING SECTIONS 32-2459 AND 32-2460, ARIZONA REVISED STATUTES, AS TRANSFERRED AND RENUMBERED BY THIS ACT; AMENDING TITLE 32, CHAPTER 24, ARTICLE 4, ARIZONA

REVISED STATUTES, AS RENUMBERED BY THIS ACT, BY ADDING SECTION 32-2461; AMENDING SECTIONS 32-2601, 32-2602 AND 32-2605, ARIZONA REVISED STATUTES; REPEALING SECTION 32-2603, ARIZONA REVISED STATUTES; AMENDING TITLE 32, CHAPTER 26, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-2606; TRANSFERRING AND RENUMBERING SECTION 32-2631, ARIZONA REVISED STATUTES, FOR PLACEMENT IN TITLE 32, CHAPTER 26, ARTICLE 1, ARIZONA REVISED STATUTES, AS SECTION 32-2607; AMENDING SECTION 32-2607, ARIZONA REVISED STATUTES, AS TRANSFERRED AND RENUMBERED BY THIS ACT; AMENDING TITLE 32, CHAPTER 26, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-2608; REPEALING SECTION 32-2611, ARIZONA REVISED STATUTES; AMENDING SECTIONS 32-2612, 32-2613 AND 32-2614, ARIZONA REVISED STATUTES; AMENDING TITLE 32, CHAPTER 26, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 32-2616 AND 32-2617; CHANGING THE ARTICLE HEADING OF TITLE 32, CHAPTER 26, ARTICLE 3, ARIZONA REVISED STATUTES, TO "REGISTRATION CERTIFICATES"; AMENDING SECTIONS 32-2622, 32-2623, 32-2624, 32-2632, 32-2633, 32-2635 AND 32-2636, ARIZONA REVISED STATUTES; RENUMBERING SECTION 32-2638, ARIZONA REVISED STATUTES, AS SECTION 32-2642; TRANSFERRING AND RENUMBERING SECTIONS 32-2604, 32-2615 AND 32-2625, ARIZONA REVISED STATUTES, FOR PLACEMENT IN TITLE 32, CHAPTER 26, ARTICLE 4, ARIZONA REVISED STATUTES, AS NEW SECTION 32-2638 AND SECTIONS 32-2640 AND 32-2641, RESPECTIVELY; AMENDING TITLE 32, CHAPTER 26, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-2639; AMENDING SECTIONS 32-2640 AND 32-2641, ARIZONA REVISED STATUTES, AS TRANSFERRED AND RENUMBERED BY THIS ACT; AMENDING SECTION 32-2642, ARIZONA REVISED STATUTES, AS RENUMBERED BY THIS ACT; RELATING TO DEPARTMENT OF PUBLIC SAFETY LICENSING FUNCTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Heading change

3 The article heading of title 32, chapter 24, article 1, Arizona Revised
4 Statutes, is changed from "ADMINISTRATION" to "GENERAL PROVISIONS".

5 Sec. 2. Section 32-2401, Arizona Revised Statutes, is amended to read:
6 32-2401. Definitions

7 In this chapter, unless the context otherwise requires:

8 ~~1. "Adequate records" means records containing, at a minimum,~~
9 ~~sufficient information to identify the client, the dates of service, the fee~~
10 ~~for service, the payments for service, the type of service given and copies~~
11 ~~of any reports that may have been made.~~

12 2. 1. "Advertising" means the submission of bids, contracting or
13 making known by any public notice, publication or solicitation of business,
14 directly or indirectly, that services regulated under this chapter are
15 available for consideration.

16 2. "AGENCY LICENSE" MEANS A CERTIFICATE THAT IS AUTHENTICATED BY THE
17 DEPARTMENT AND THAT ATTESTS THAT A QUALIFYING PARTY IS AUTHORIZED TO CONDUCT
18 THE BUSINESS OF PRIVATE INVESTIGATIONS IN THIS STATE.

19 3. "Applicant" means a person who has submitted a completed
20 application and all required application AND FINGERPRINT PROCESSING fees.

21 4. "Associate" means ~~an individual~~ A PERSON who is a partner or
22 corporate officer in a private investigation agency.

23 5. "Board" means the private investigator and security guard hearing
24 board ESTABLISHED BY SECTION 32-2404.

25 6. "Conviction" means an adjudication of guilt by a federal, state or
26 local court resulting from trial or plea, including a plea of no contest,
27 regardless of whether ~~the imposition of sentence was suspended~~ THE
28 ADJUDICATION OF GUILT WAS SET ASIDE OR VACATED.

29 7. "Department" means the department of public safety.

30 8. "Director" means the director of the department of public safety.

31 9. "Emergency action" means a summary suspension of a license pending
32 revocation, suspension or probation in order to protect the public health,
33 safety or welfare.

34 10. "Employee" means an individual who works for an employer, is listed
35 on the employer's payroll records and is under the employer's direction and
36 control.

37 11. "Employer" means a person who is licensed pursuant to this chapter,
38 who employs an individual for wages or salary, who lists the individual on
39 the employer's payroll records and who withholds all legally required
40 deductions and contributions.

41 12. "Identification card" means a card issued by the director
42 DEPARTMENT to a qualified applicant for an agency license, an associate or
43 a registrant.

1 13. "Insurance adjuster" means a person other than a private
2 investigator who, for any consideration, engages in any of the activities
3 prescribed in the definition of private investigator in this section in the
4 course of adjusting or otherwise participating in the disposal of any claim
5 under or in connection with a policy of insurance.

6 14. "Letter of concern" means an advisory letter to notify a private
7 investigator that while there is insufficient evidence to support probation
8 or suspension or revocation of a license the department believes the private
9 investigator should modify or eliminate certain practices and that
10 continuation of the activities that led to the information being submitted
11 to the department may result in further disciplinary action against the
12 private investigator's license.

13 15. "Licensee" means a person to whom an agency license is granted
14 pursuant to this chapter.

15 16. "Private investigator" means a person other than an insurance
16 adjuster or an on-duty peace officer as defined in section 1-215 who, for any
17 consideration, engages in business or accepts employment to furnish, agrees
18 to make or makes any investigation for the purpose of obtaining information
19 with reference to:

20 (a) Crime or wrongs done or threatened against the United States or
21 any state or territory of the United States.

22 (b) The identity, habits, conduct, movements, whereabouts,
23 affiliations, associations, transactions, reputation or character of any
24 person or group of persons.

25 (c) The credibility of witnesses or other persons.

26 (d) The whereabouts of missing persons, owners of abandoned property
27 or escheated property or heirs to estates.

28 (e) The location or recovery of lost or stolen property.

29 (f) The causes and origin of, or responsibility for, a fire, libel,
30 slander, a loss, an accident, damage or an injury to real or personal
31 property.

32 (g) The business of securing evidence to be used before investigating
33 committees or boards of award or arbitration or in the trial of civil or
34 criminal cases and the preparation therefor.

35 (h) THE BUSINESS OF INVESTIGATING THREATS OF VIOLENCE AND THE
36 PROTECTION OF INDIVIDUALS FROM SERIOUS BODILY HARM OR DEATH.

37 17. "Qualifying party" means the individual meeting the qualifications
38 under this chapter for an agency license.

39 18. "Registrant" means an employee of a licensed agency qualified to
40 perform the services of ~~a private investigator~~ THE AGENCY.

41 19. "REGISTRATION CERTIFICATE" MEANS A CERTIFICATE THAT IS
42 AUTHENTICATED BY THE DEPARTMENT AND THAT ATTESTS THAT AN EMPLOYEE OF A
43 BUSINESS HOLDING AN AGENCY LICENSE HAS SATISFACTORILY COMPLIED WITH ARTICLE
44 3 OF THIS CHAPTER.

1 19. 20. "Restructuring" means any change in a business' legal status.

2 20. 21. "Unprofessional conduct" means any of the following:

3 (a) Engaging or offering to engage by fraud or misrepresentation in
4 activities regulated by this chapter.

5 (b) Aiding or abetting a person who is not licensed pursuant to this
6 chapter in representing that person as a private investigator in this state.

7 (c) Gross negligence in the practice of a private investigator.

8 (d) Failing or refusing to maintain adequate records and investigative
9 findings on a client. FOR PURPOSES OF THIS SUBDIVISION, "ADEQUATE RECORDS"
10 MEANS RECORDS CONTAINING, AT A MINIMUM, SUFFICIENT INFORMATION TO IDENTIFY
11 THE CLIENT, THE DATES OF SERVICE, THE FEE FOR SERVICE, THE PAYMENTS FOR
12 SERVICE, THE TYPE OF SERVICE GIVEN AND COPIES OF ANY REPORTS THAT MAY HAVE
13 BEEN MADE.

14 (e) Committing a felony or a misdemeanor involving any crime that is
15 grounds for denial, suspension or revocation of a private investigator
16 license or employee identification card. In all cases, conviction by a
17 court of competent jurisdiction or a plea of no contest is conclusive
18 evidence of the commission.

19 (f) Making a fraudulent or untrue statement to the department, the
20 board or its investigators, staff or consultants.

21 Sec. 3. Section 32-2402, Arizona Revised Statutes, is amended to read:

22 32-2402. Administration by director; duty to keep records;
23 rules

24 A. The director of the department of public safety shall administer
25 this chapter.

26 B. The director DEPARTMENT shall keep a record of:

27 1. All applications for licenses OR REGISTRATIONS under this chapter.
28 and

29 2. All bonds and proof of workers' compensation required to be filed.
30 , including

31 3. A statement as to whether a license, or REGISTRATION CERTIFICATE,
32 renewal license OR RENEWAL REGISTRATION CERTIFICATE has been issued under
33 each application and bond. , and,

34 4. If a license OR REGISTRATION CERTIFICATE is revoked, suspended,
35 cancelled or denied or if a licensee OR REGISTRANT is placed on probation,
36 the date of filing the order for revocation, suspension, cancellation, denial
37 or probation. ~~The director department shall maintain a list of~~

38 5. All individuals, firms, partnerships, associations or corporations
39 that have had a license OR REGISTRATION revoked, suspended, ~~placed on~~
40 probation or cancelled OR THAT HAVE BEEN PLACED ON PROBATION and a written
41 record of complaints filed against licensees and registrants.

42 C. THE DEPARTMENT SHALL MAINTAIN ALL RECORDS KEPT PURSUANT TO
43 SUBSECTION B FOR AT LEAST FIVE YEARS. The records, except the financial
44 statement of licensees, are open to inspection as public records.

1 C. D. The director shall adopt and enforce rules that are not in
2 conflict with the laws of this state and that are necessary to enforce this
3 chapter.

4 Sec. 4. Repeal

5 Section 32-2403, Arizona Revised Statutes, is repealed.

6 Sec. 5. Section 32-2404, Arizona Revised Statutes, is amended to read:
7 32-2404. Private investigator and security guard hearing board;

8 qualifications; appointments; terms; compensation;

9 immunity

10 A. The private investigator and security guard hearing board is
11 established consisting of five members AND AN ALTERNATE MEMBER WHO ARE
12 appointed by the director.

13 B. Each member of the board shall be a citizen of the United States
14 and a resident of this state at the time of appointment. One member shall
15 be a qualifying party who is licensed as provided in this chapter. One
16 member shall be a qualifying party who is licensed as provided in chapter 26
17 of this title. Two members shall be certified peace officers with a rank of
18 at least lieutenant who are not employees of the department. One member
19 shall be a public member who shall not have a financial interest in a private
20 investigation or security guard agency and shall not have an immediate family
21 member or a household member who is licensed or registered under this chapter
22 or chapter 26 of this title, or who is a certified peace officer. THE
23 ALTERNATE MEMBER SHALL BE A PUBLIC MEMBER WHO DOES NOT HAVE A FINANCIAL
24 INTEREST IN A PRIVATE INVESTIGATION OR SECURITY GUARD AGENCY AND DOES NOT
25 HAVE AN IMMEDIATE FAMILY MEMBER OR A HOUSEHOLD MEMBER WHO IS LICENSED OR
26 REGISTERED UNDER THIS CHAPTER OR CHAPTER 26 OF THIS TITLE OR WHO IS A
27 CERTIFIED PEACE OFFICER.

28 C. Each member of the board shall serve for a staggered term of five
29 years beginning and ending on the third Monday in January. THE ALTERNATE
30 MEMBER SHALL SERVE A FIVE YEAR TERM BEGINNING AND ENDING ON THE THIRD MONDAY
31 IN JANUARY. A member, INCLUDING THE ALTERNATE MEMBER, shall not serve more
32 than one term, except that a member appointed to fill a vacancy may be
33 reappointed for one full term.

34 D. The director shall fill a vacancy on the board occurring other than
35 by the expiration of term by appointment of a member for the unexpired term
36 as provided in subsection C of this section. The director, after a hearing,
37 may remove any member of the board for misconduct, incompetency or neglect
38 of duty.

39 E. Members of the board, INCLUDING THE ALTERNATE MEMBER, are eligible
40 to receive compensation pursuant to section 38-611 for each day actually and
41 necessarily spent in the performance of their duties.

42 F. Members of the board, INCLUDING THE ALTERNATE MEMBER, are
43 personally immune from suit with respect to all acts done and actions taken
44 in good faith and in furtherance of the purposes of this chapter.

1 Sec. 6. Section 32-2405, Arizona Revised Statutes, is amended to read:
2 32-2405. Power and duties of hearing board

3 A. The board shall:

4 1. Submit recommendations to the director on disciplinary actions or
5 the denial of licenses OR REGISTRATIONS.

6 2. Annually elect from its membership a chairman and a secretary, who
7 serve at the pleasure of the board.

8 B. The board may take and hear evidence, administer oaths and
9 affirmations and compel by subpoena the attendance of witnesses and the
10 production of books, papers, records, documents and other information
11 relating to an investigation or hearing.

12 Sec. 7. Section 32-2407, Arizona Revised Statutes, is amended to read:
13 32-2407. Fees; renewal of license

14 A. The director DEPARTMENT shall charge and collect REASONABLE FEES
15 AS DETERMINED BY THE DIRECTOR TO COVER THE OPERATIONAL AND EQUIPMENT COSTS
16 OF REGULATING THE PRIVATE INVESTIGATOR INDUSTRY. ~~the following fees under~~
17 ~~this chapter:~~

18 ~~1. For an original agency license application, one hundred fifty~~
19 ~~dollars, plus an additional fee for the costs of fingerprint processing.~~

20 ~~2. For an original agency license, three hundred dollars.~~

21 ~~3. For the renewal of an agency license, one hundred fifty dollars,~~
22 ~~plus an additional fee for the costs of fingerprint processing.~~

23 ~~4. For an original application for registration, fifty dollars, plus~~
24 ~~an additional fee for the costs of fingerprint processing.~~

25 ~~5. For the renewal of each registration, thirty dollars, plus an~~
26 ~~additional fee for the costs of fingerprint processing.~~

27 ~~6. For restructuring an agency license, one hundred dollars, plus an~~
28 ~~additional fee for the costs of fingerprint processing for any associate~~
29 ~~added as a result of the restructuring of the agency.~~

30 ~~7. For filing an agency renewal application after the expiration date~~
31 ~~of the license, a delinquency fee of fifty dollars.~~

32 ~~8. For filing a registration renewal application after the expiration~~
33 ~~date of the registration, a delinquency fee of twenty dollars.~~

34 ~~9. For a duplicate identification card, ten dollars.~~

35 ~~10. For reinstatement of an employee identification card, ten dollars.~~

36 ~~11. For the reinstatement of an agency license, thirty dollars.~~

37 ~~12. For the fingerprint processing fee, an amount that does not exceed~~
38 ~~the cost to the department charged by the federal bureau of investigation for~~
39 ~~fingerprint processing for the purpose of obtaining federal criminal history~~
40 ~~record information.~~

41 B. The director may renew a license or registration CERTIFICATE
42 granted under this article on receipt of CHAPTER AFTER RECEIVING an
43 application on such forms as the director DEPARTMENT prescribes and receipt
44 of the fees prescribed in PURSUANT TO subsection A of this section. The

1 renewal of an agency license requires the filing of a surety bond as
2 prescribed in section 32-2423, subsections B and C. Renewal of a license or
3 registration shall not be granted more than ninety days after expiration. No
4 licensee or registrant may engage in any activity subject to this chapter
5 during any period between the date of expiration of the license or
6 registration and the renewal of the license or registration.

7 C. The director DEPARTMENT shall renew a suspended license or
8 registration CERTIFICATE as provided in this article. Renewal of the license
9 or registration does not entitle the licensee or registrant, while the
10 license or registration remains suspended and until it is reinstated, to
11 engage in any activity regulated by this chapter, or in any other activity
12 or conduct in violation of the order or judgment by which the license or
13 registration was suspended.

14 D. The director shall not reinstate a revoked license or
15 registration. The director shall not accept an application for a license or
16 registration from a person whose license or registration has been revoked for
17 UNTIL at least one year from AFTER the date of revocation.

18 Sec. 8. Title 32, chapter 24, article 1, Arizona Revised Statutes, is
19 amended by adding section 32-2408, to read:

20 32-2408. Department of public safety licensing fund

21 A. A DEPARTMENT OF PUBLIC SAFETY LICENSING FUND IS ESTABLISHED
22 CONSISTING OF FEES COLLECTED PURSUANT TO THIS CHAPTER AND CHAPTER 26 OF THIS
23 TITLE.

24 B. THE DIRECTOR SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE
25 CONTINUOUSLY APPROPRIATED TO THE DIRECTOR TO COVER THE OPERATIONAL AND
26 EQUIPMENT COSTS OF REGULATING THE PRIVATE INVESTIGATOR AND SECURITY GUARD
27 INDUSTRY.

28 Sec. 9. Transfer and renumber

29 Sections 32-2421, 32-2430 and 32-2431, Arizona Revised Statutes, are
30 transferred and renumbered for placement in title 32, chapter 24, article 1,
31 Arizona Revised Statutes, as sections 32-2411, 32-2409 and 32-2410,
32 respectively.

33 Sec. 10. Section 32-2410, Arizona Revised Statutes, as transferred and
34 renumbered by this act, is amended to read:

35 32-2410. Power of local authorities

36 This chapter does not prevent the ~~local authorities of any city, town~~
37 ~~or county, by ordinance and within the exercise of their police power, A~~
38 ~~POLITICAL SUBDIVISION OF THIS STATE from imposing local regulation on any~~
39 ~~person engaged in the business of accepting employment for the location or~~
40 ~~recovery of personal property that is sold under conditional sales agreements~~
41 ~~or that is subject to the terms of a chattel mortgage, BUT THE POLITICAL~~
42 ~~SUBDIVISION MAY NOT ASSESS AN ADDITIONAL FEE.~~

1 Sec. 11. Section 32-2411, Arizona Revised Statutes, as transferred and
2 renumbered by this act, is amended to read:

3 32-2411. License required; violation; classification

4 A. ~~No person may engage in a business regulated by this chapter or act~~
5 ~~or assume to act as, or represent himself to be, a licensee or registrant~~
6 ~~unless he is licensed or registered under this chapter, and no person may~~
7 ~~falsely represent that he is employed by a licensee. A PERSON SHALL NOT ACT~~
8 ~~OR ATTEMPT TO ACT AS A PRIVATE INVESTIGATOR OR REPRESENT THAT THE PERSON IS~~
9 ~~A PRIVATE INVESTIGATOR UNLESS THE PERSON IS REGISTERED AS A PRIVATE~~
10 ~~INVESTIGATOR PURSUANT TO THIS CHAPTER AND IS ACTING WITHIN THE SCOPE OF THE~~
11 ~~PERSON'S EMPLOYMENT FOR AN AGENCY THAT IS LICENSED PURSUANT TO ARTICLE 2 OF~~
12 ~~THIS CHAPTER.~~

13 B. A person who knowingly violates this section is guilty of a class
14 ~~6~~ felony 1 MISDEMEANOR.

15 Sec. 12. Heading change

16 The article heading of title 32, chapter 24, article 2, Arizona Revised
17 Statutes, is changed from "LICENSURE AND REGISTRATION" to "AGENCY LICENSES".

18 Sec. 13. Title 32, chapter 24, article 2, Arizona Revised Statutes,
19 is amended by adding section 32-2421, to read:

20 32-2421. Qualifying party

21 A. AN APPLICANT FOR AN AGENCY LICENSE MUST HAVE A QUALIFYING PARTY.

22 B. FOR A SOLE PROPRIETORSHIP, THE QUALIFYING PARTY SHALL BE THE AGENCY
23 LICENSEE.

24 C. FOR A PARTNERSHIP, CORPORATION OR LIMITED LIABILITY COMPANY, THE
25 QUALIFYING PARTY SHALL BE THE INDIVIDUAL WHO IS RESPONSIBLE FOR MANAGING THE
26 AGENCY. ALL OTHER PARTNERS OR CORPORATE OFFICERS SHALL REGISTER AS
27 ASSOCIATES PURSUANT TO ARTICLE 3 OF THIS CHAPTER.

28 D. IF REQUIRED, THE QUALIFYING PARTY SHALL MAINTAIN WORKERS'
29 COMPENSATION INSURANCE IN EFFECT.

30 Sec. 14. Section 32-2422, Arizona Revised Statutes, is amended to
31 read:

32 32-2422. Qualification of applicant for agency license;
33 substantiation of work experience

34 A. An applicant as a qualifying party for an agency license under this
35 chapter shall:

36 1. Be at least twenty-one years of age.

37 2. Be a citizen or legal resident of the United States ~~and of good~~
38 ~~moral character~~ WHO IS AUTHORIZED TO SEEK EMPLOYMENT IN THE UNITED STATES.

39 3. Not have been convicted of a ANY felony OR CURRENTLY BE UNDER
40 INDICTMENT FOR A FELONY.

41 4. ~~Not have been convicted of any act involving illegally using,~~
42 ~~carrying or possessing a dangerous weapon.~~

1 ~~5. Not have been convicted of any act of personal violence or force~~
2 ~~on any person or convicted of threatening to commit any act of personal~~
3 ~~violence or force against another person.~~

4 ~~6. Not have been convicted of any act constituting dishonesty or~~
5 ~~fraud.~~

6 4. WITHIN THE FIVE YEARS IMMEDIATELY PRECEDING THE APPLICATION FOR AN
7 AGENCY LICENSE, NOT HAVE BEEN CONVICTED OF ANY MISDEMEANOR ACT INVOLVING:

8 (a) PERSONAL VIOLENCE OR FORCE AGAINST ANOTHER PERSON OR THREATENING
9 TO COMMIT ANY ACT OF PERSONAL VIOLENCE OR FORCE AGAINST ANOTHER PERSON.

10 (b) MISCONDUCT INVOLVING A DEADLY WEAPON AS PROVIDED IN SECTION
11 13-3102.

12 (c) DISHONESTY OR FRAUD.

13 (d) ARSON.

14 (e) THEFT.

15 (f) DOMESTIC VIOLENCE.

16 (g) A VIOLATION OF TITLE 13, CHAPTER 34 OR 34.1 OR AN OFFENSE THAT HAS
17 THE SAME ELEMENTS AS AN OFFENSE LISTED IN TITLE 13, CHAPTER 34 OR 34.1.

18 (h) SEXUAL MISCONDUCT.

19 ~~7. 5. Not be on probation, on parole, ON COMMUNITY SUPERVISION, ON~~
20 ~~WORK FURLOUGH, ON HOME ARREST, ON RELEASE ON ANY OTHER BASIS or named in an~~
21 ~~outstanding arrest warrant.~~

22 ~~8. If previously or currently licensed in another state or~~
23 ~~jurisdiction, be in good standing within that state or jurisdiction.~~

24 6. NOT BE SERVING A TERM OF PROBATION PURSUANT TO A CONVICTION FOR ANY
25 ACT OF PERSONAL VIOLENCE OR DOMESTIC VIOLENCE, AS DEFINED IN SECTION 13-3601,
26 OR AN OFFENSE THAT HAS THE SAME ELEMENTS AS AN OFFENSE LISTED IN SECTION
27 13-3601.

28 7. NOT BE ANY OF THE FOLLOWING:

29 (a) ADJUDICATED MENTALLY INCOMPETENT.

30 (b) FOUND TO CONSTITUTE A DANGER TO SELF OR OTHERS PURSUANT TO SECTION
31 36-540.

32 (c) SUFFERING FROM A CONGENITAL MENTAL CONDITION, MENTAL CONDITION
33 RESULTING FROM INJURY OR DISEASE OR DEVELOPMENTAL DISABILITIES AS DEFINED IN
34 SECTION 36-551.

35 8. NOT HAVE BEEN CONVICTED OF ACTING OR ATTEMPTING TO ACT AS A PRIVATE
36 INVESTIGATION AGENCY OR A PRIVATE INVESTIGATOR WITHOUT A LICENSE IF A LICENSE
37 WAS REQUIRED.

38 9. Have had a minimum of three years of full-time investigative
39 experience or the equivalent of three years of full-time investigative
40 experience that consists of actual work performed as an investigator for a
41 private concern, for the federal government or for a state, county or
42 municipal government.

43 B. If the applicant for an agency license is a firm, partnership,
44 association or corporation, the qualifications required by subsection A are

1 required of the individual in active management who shall be the qualifying
2 party of the firm, partnership, association or corporation.

3 C. Applicants for an agency license shall substantiate investigative
4 work experience claimed as years of qualifying experience and provide the
5 exact details as to the character and nature of the experience on a form
6 prescribed by the department and certified by the employers. On written
7 request, an employer shall submit to the employee a written certification of
8 prior work experience within thirty days. The written certification is
9 subject to independent verification by the director. If an employer goes out
10 of business, the employer shall provide all employees with a complete and
11 accurate record of their work history. If applicants are unable to supply
12 written certification from an employer in whole or in part, applicants may
13 offer written certification from persons other than an employer covering the
14 same subject matter for consideration by the director DEPARTMENT. The burden
15 of proving the minimum years of experience is on the applicant.

16 ~~D. An applicant for an associate license or employee registration~~
17 ~~shall meet all qualification standards prescribed in subsection A, except for~~
18 ~~paragraphs 1 and 9. The minimum age for an associate or an employee is~~
19 ~~eighteen years of age.~~

20 D. THE DEPARTMENT MAY DENY AN AGENCY LICENSE IF THE DEPARTMENT
21 DETERMINES THAT THE APPLICANT DOES NOT MEET THE REQUIREMENTS OF THIS SECTION.

22 Sec. 15. Section 32-2423, Arizona Revised Statutes, is amended to
23 read:

24 32-2423. Application for agency license; financial
25 responsibility; notice and opportunity to supply
26 additional information

27 A. Every application for an ORIGINAL OR RENEWAL agency license to
28 engage in the private investigator business shall set forth VERIFIED
29 information to assist the director DEPARTMENT in determining the applicant's
30 ability to meet the requirements prescribed in this chapter and shall contain
31 the following:

32 1. The full name and business address of the applicant.

33 2. The name under which the applicant intends to do business.

34 3. A statement as to the general nature of the business in which the
35 applicant intends to engage.

36 4. If the applicant is other than an individual, the full name and
37 residence address of each of its associates.

38 5. A verified statement of the applicant's experience AND
39 qualifications.

40 6. PHOTOGRAPHS OF THE APPLICANT OF A NUMBER AND TYPE PRESCRIBED BY THE
41 DEPARTMENT.

42 7. FINGERPRINTS OF THE APPLICANT OF A QUALITY AND NUMBER PRESCRIBED
43 BY THE DEPARTMENT FOR THE PURPOSE OF OBTAINING STATE AND FEDERAL CRIMINAL
44 RECORDS CHECKS PURSUANT TO SECTION 41-1750 AND PUBLIC LAW 92-544. THE

1 DEPARTMENT MAY EXCHANGE THIS FINGERPRINT DATA WITH THE FEDERAL BUREAU OF
2 INVESTIGATION. THE DEPARTMENT MAY CONDUCT PERIODIC STATE CRIMINAL HISTORY
3 CHECKS TO ENSURE CONTINUED QUALIFICATION UNDER THIS CHAPTER.

4 ~~6.~~ 8. Such other information, evidence, statements or documents as
5 the director may reasonably require.

6 ~~7.~~ 9. The fee prescribed in PURSUANT TO section 32-2407.

7 B. Before the issuance of an original or renewal agency license the
8 applicant shall provide to the department:

9 1. A surety bond in the amount of two thousand five hundred dollars.

10 2. A certificate of workers' compensation insurance, if applicable.

11 C. The bond shall be executed and acknowledged by the applicant as
12 principal and by a corporation licensed to transact fidelity and surety
13 business in this state as surety. The bond shall be continuous in form and
14 shall run concurrently with the license period. The bond required by this
15 chapter SECTION shall be in favor of the state for the benefit of any person
16 injured by any acts of a private investigator, ~~his~~ OR THE PRIVATE
17 INVESTIGATOR'S agency or his employees and is subject to claims by any person
18 who is injured by these acts.

19 D. The director DEPARTMENT shall cancel the agency license of any
20 licensed agency on the cancellation of the surety bond. The qualifying party
21 may reinstate the license on filing:

22 1. A surety bond that is concurrent with the remainder of the license
23 period.

24 2. Payment of the reinstatement fee prescribed under PURSUANT TO
25 section 32-2407.

26 E. IF AN APPLICATION IS INCOMPLETE, THE DEPARTMENT SHALL NOTIFY THE
27 APPLICANT PURSUANT TO SECTION 41-1074. IF THE DEPARTMENT REQUIRES ADDITIONAL
28 INFORMATION TO MAKE A DECISION ON LICENSURE, THE DEPARTMENT SHALL NOTIFY THE
29 APPLICANT PURSUANT TO SECTION 41-1075. THE DEPARTMENT SHALL SEND NOTICES
30 UNDER THIS SUBSECTION TO THE APPLICANT'S LAST KNOWN RESIDENTIAL ADDRESS AND
31 SHALL INCLUDE SUFFICIENT INFORMATION TO ASSIST THE APPLICANT IN COMPLETING
32 THE APPLICATION PROCESS. THE APPLICANT HAS FORTY-FIVE CALENDAR DAYS FROM THE
33 DATE OF NOTIFICATION TO PROVIDE THE ADDITIONAL DOCUMENTATION. IF THE
34 APPLICANT FAILS TO RESPOND WITHIN FORTY-FIVE CALENDAR DAYS, THE APPLICATION
35 AND ANY CERTIFICATES ISSUED ARE AUTOMATICALLY SUSPENDED UNTIL THE DEPARTMENT
36 RECEIVES THE NECESSARY DOCUMENTATION TO APPROVE OR DENY THE APPLICATION.

37 Sec. 16. Section 32-2425, Arizona Revised Statutes, is amended to
38 read:

39 32-2425. Issuance of license and identification card; deadline
40 for completing application; transfer of license
41 prohibited

42 A. The director DEPARTMENT shall issue an agency license to any
43 applicant who complies with the provisions of this chapter. Each license

1 shall contain the name and address of the licensee and the number of the
2 license and shall be issued for a period of three TWO years.

3 B. On the issuance of a license, an identification card of ~~such size,~~
4 ~~design and content as may be determined by the director~~ DESCRIBED IN SECTION
5 32-2461 shall be issued without charge to the licensee if an individual, or
6 if the licensee is other than an individual, TO ITS QUALIFYING PARTY, AND to
7 each of its associates AND DIRECTORS. ~~that~~ THE IDENTIFICATION CARD is
8 evidence that the licensee ~~and his associates are~~ IS duly licensed pursuant
9 to this chapter. If a person to whom the card of a licensee other than an
10 individual is issued terminates his THE PERSON'S position, office or
11 association with the licensee, he THE PERSON shall surrender the card to the
12 licensee and within five BUSINESS days thereafter the licensee shall mail or
13 deliver the card to the director for cancellation. IF THE PERSON FAILS OR
14 REFUSES TO SURRENDER THE CARD TO THE LICENSEE, THE LICENSEE SHALL NOTIFY THE
15 DIRECTOR WITHIN FIVE BUSINESS DAYS OF THE TERMINATION OF THE PERSON'S
16 POSITION, OFFICE OR ASSOCIATION WITH THE LICENSEE.

17 C. On notification by the department to an applicant that the agency
18 license is ready for issuance, the applicant shall complete the application
19 process within ninety CALENDAR days. Failure to complete the process shall
20 result in the application being cancelled and all fees shall be forfeited by
21 the applicant. Subsequent application by the same applicant requires the
22 payment of all application and license fees prescribed in PURSUANT TO section
23 32-2407.

24 D. A licensee shall notify the director IN WRITING within thirty
25 CALENDAR days of any change in the name or address of his THE LICENSEE'S
26 business and of any change of associates.

27 E. All new associates shall submit applications on forms prescribed
28 by the director.

29 F. No license issued under this chapter is transferable or assignable.

30 Sec. 17. Section 32-2426, Arizona Revised Statutes, is amended to
31 read:

32 32-2426. Branch office certificate

33 A. No licensee may establish a branch office of a licensed agency
34 unless THE DEPARTMENT HAS ISSUED a branch office certificate ~~has been issued~~
35 ~~by the director~~.

36 B. A BRANCH OFFICE CERTIFICATE AUTHORIZES THE QUALIFYING PARTY OF AN
37 AGENCY LICENSEE TO CONDUCT THE BUSINESS OF PRIVATE INVESTIGATIONS IN THIS
38 STATE AT A LOCATION OTHER THAN THE PRINCIPAL PLACE OF BUSINESS SHOWN ON THE
39 AGENCY LICENSE.

40 C. An application for a branch office certificate shall be on such
41 form as the director prescribes.

42 D. The branch office certificate shall be issued in the name of the
43 licensed agency only.

1 Sec. 18. Renumber

2 Title 32, chapter 24, article 3, Arizona Revised Statutes, is
3 renumbered as title 32, chapter 24, article 4.

4 Sec. 19. Transfer and renumber

5 Sections 32-2427 and 32-2428, Arizona Revised Statutes, are transferred
6 and renumbered for placement in title 32, chapter 24, article 4, Arizona
7 Revised Statutes, as renumbered by this act, as sections 32-2459 and 32-2460,
8 respectively.

9 Sec. 20. Title 32, chapter 24, Arizona Revised Statutes, is amended
10 by adding a new article 3, to read:

11 ARTICLE 3. REGISTRATION CERTIFICATES

12 32-2441. Qualification of applicant for associate or employee
13 registration

14 AN APPLICANT FOR AN ASSOCIATE OR EMPLOYEE REGISTRATION CERTIFICATE
15 SHALL:

- 16 1. BE AT LEAST EIGHTEEN YEARS OF AGE.
- 17 2. BE A CITIZEN OR LEGAL RESIDENT OF THE UNITED STATES WHO IS
18 AUTHORIZED TO SEEK EMPLOYMENT IN THE UNITED STATES.
- 19 3. NOT HAVE BEEN CONVICTED OF ANY FELONY OR CURRENTLY BE UNDER
20 INDICTMENT FOR A FELONY.
- 21 4. WITHIN THE FIVE YEARS IMMEDIATELY PRECEDING THE APPLICATION FOR AN
22 AGENCY LICENSE, NOT HAVE BEEN CONVICTED OF ANY MISDEMEANOR ACT INVOLVING:
23 (a) PERSONAL VIOLENCE OR FORCE AGAINST ANOTHER PERSON OR THREATENING
24 TO COMMIT ANY ACT OF PERSONAL VIOLENCE OR FORCE AGAINST ANOTHER PERSON.
25 (b) MISCONDUCT INVOLVING A DEADLY WEAPON AS PROVIDED IN SECTION
26 13-3102.
27 (c) DISHONESTY OR FRAUD.
28 (d) ARSON.
29 (e) THEFT.
30 (f) DOMESTIC VIOLENCE.
31 (g) A VIOLATION OF TITLE 13, CHAPTER 34 OR 34.1 OR AN OFFENSE THAT HAS
32 THE SAME ELEMENTS AS AN OFFENSE LISTED IN TITLE 13, CHAPTER 34 OR 34.1.
33 (h) SEXUAL MISCONDUCT.
- 34 5. NOT BE ON PAROLE, ON COMMUNITY SUPERVISION, ON WORK FURLOUGH, ON
35 HOME ARREST, ON RELEASE ON ANY OTHER BASIS OR NAMED IN AN OUTSTANDING ARREST
36 WARRANT.
- 37 6. NOT BE SERVING A TERM OF PROBATION PURSUANT TO A CONVICTION FOR ANY
38 ACT OF PERSONAL VIOLENCE OR DOMESTIC VIOLENCE, AS DEFINED IN SECTION 13-3601,
39 OR AN OFFENSE THAT HAS THE SAME ELEMENTS AS AN OFFENSE LISTED IN SECTION
40 13-3601.
- 41 7. NOT BE ANY OF THE FOLLOWING:
42 (a) ADJUDICATED MENTALLY INCOMPETENT.
43 (b) FOUND TO CONSTITUTE A DANGER TO SELF OR OTHERS PURSUANT TO SECTION
44 13-3601.

1 (c) SUFFERING FROM A CONGENITAL MENTAL CONDITION, MENTAL CONDITION
2 RESULTING FROM INJURY OR DISEASE OR DEVELOPMENTAL DISABILITIES AS DEFINED IN
3 SECTION 36-551.

4 8. NOT HAVE BEEN CONVICTED OF ACTING OR ATTEMPTING TO ACT AS A PRIVATE
5 INVESTIGATOR WITHOUT A LICENSE IF A LICENSE WAS REQUIRED.

6 Sec. 21. Transfer and renumber

7 Sections 32-2424 and 32-2429, Arizona Revised Statutes, are transferred
8 and renumbered for placement in title 32, chapter 24, article 3, Arizona
9 Revised Statutes, as sections 32-2442 and 32-2443, respectively.

10 Sec. 22. Section 32-2442, Arizona Revised Statutes, as transferred and
11 renumbered by this act, is amended to read:

12 32-2442. Application for employee registration certificate;
13 registration period cancellation

14 A. Every application for an employee registration CERTIFICATE shall
15 provide VERIFIED information to assist the director DEPARTMENT in determining
16 the applicant's ability to meet the requirements prescribed in this chapter,
17 as follows:

18 1. The full name and address of the applicant.

19 2. The name of the agency for which the applicant will be an employee.

20 3. Authorization of the qualifying party or his THE QUALIFYING PARTY'S
21 designee to issue an employee registration.

22 4. FINGERPRINTS OF THE APPLICANT OF A QUALITY AND NUMBER PRESCRIBED
23 BY THE DEPARTMENT FOR THE PURPOSE OF OBTAINING STATE AND FEDERAL CRIMINAL
24 RECORDS CHECKS PURSUANT TO SECTION 41-1750 AND PUBLIC LAW 92-544. THE
25 DEPARTMENT MAY EXCHANGE THIS FINGERPRINT DATA WITH THE FEDERAL BUREAU OF
26 INVESTIGATION. THE DEPARTMENT MAY CONDUCT PERIODIC STATE CRIMINAL HISTORY
27 CHECKS TO ENSURE CONTINUED QUALIFICATION UNDER THIS CHAPTER.

28 5. PHOTOGRAPHS OF THE APPLICANT OF A NUMBER AND TYPE PRESCRIBED BY THE
29 DEPARTMENT.

30 ~~4.~~ 6. Such other information, evidence, statements or documents as
31 the director DEPARTMENT may reasonably require.

32 B. An application for an employee registration or renewal shall be
33 accompanied by the fee prescribed in PURSUANT TO section 32-2407.

34 C. An original employee registration is valid from the date of
35 issuance to the date of expiration of the agency license under which the
36 employee is employed. The renewal period of an employee registration runs
37 concurrently with the agency license. An employee registration may be denied
38 as prescribed in section ~~32-2427~~, subsections ~~B and C~~ 32-2459 and shall be
39 canceled on the cancellation, termination or revocation of the agency license
40 under which the employee registration is issued.

41 D. An employee registration or renewal shall not be issued to an
42 applicant unless the employer has on file with the department evidence of
43 current workers' compensation coverage. An employee registration is
44 cancelled on cancellation of the employer's workers' compensation coverage

1 and may be reinstated only on verification of the reinstatement of workers'
2 compensation coverage and payment of the reinstatement fee prescribed in
3 PURSUANT TO section 32-2407.

4 E. IF AN APPLICATION IS INCOMPLETE, THE DEPARTMENT SHALL NOTIFY THE
5 APPLICANT PURSUANT TO SECTION 41-1074. IF THE DEPARTMENT REQUIRES ADDITIONAL
6 INFORMATION TO MAKE A DECISION ON REGISTRATION, THE DEPARTMENT SHALL NOTIFY
7 THE APPLICANT PURSUANT TO SECTION 41-1075. THE DEPARTMENT SHALL SEND NOTICES
8 ISSUED UNDER THIS SUBSECTION TO THE APPLICANT'S LAST KNOWN RESIDENTIAL
9 ADDRESS AND SHALL INCLUDE SUFFICIENT INFORMATION TO ASSIST THE APPLICANT TO
10 COMPLETE THE APPLICATION PROCESS. THE APPLICANT HAS FORTY-FIVE CALENDAR DAYS
11 FROM THE DATE OF NOTIFICATION TO PROVIDE THE ADDITIONAL DOCUMENTATION. IF
12 THE APPLICANT FAILS TO RESPOND WITHIN FORTY-FIVE CALENDAR DAYS, THE
13 APPLICATION AND ANY CERTIFICATES ISSUED ARE AUTOMATICALLY SUSPENDED UNTIL THE
14 DEPARTMENT RECEIVES THE NECESSARY DOCUMENTATION TO APPROVE OR DENY THE
15 APPLICATION.

16 Sec. 23. Section 32-2443, Arizona Revised Statutes, as transferred and
17 renumbered by this act, is amended to read:

18 32-2443. Employee identification card required; denial

19 A. Each holder of a license issued EMPLOYEE OF AN AGENCY LICENSED
20 under this chapter shall obtain an identification card for each of his
21 employees, except those employees engaged exclusively in clerical and office
22 work.

23 B. The director DEPARTMENT may issue an identification card to an
24 applicant who, on initial application FOR A REGISTRATION CERTIFICATE,
25 complies with THE APPLICATION REQUIREMENTS OF section 32-2422 32-2442,
26 subsection D AND WHO ON THE FACE OF THE APPLICATION APPEARS TO MEET THE
27 REQUIREMENTS OF SECTION 32-2441. On completion of the investigation of the
28 applicant's qualifications, the director DEPARTMENT may deny the applicant's
29 registration as prescribed in section 32-2427, subsections B and C 32-2459.

30 C. The identification card issued by the director shall contain the
31 following information:

- 32 1. Name of employee.
- 33 2. Name and address of agency by which employed.
- 34 3. Photograph of employee.
- 35 4. Fingerprint of employee.
- 36 5. Physical description of employee.
- 37 6. Number of employer's license.
- 38 7. Such other information as the director determines necessary.

39 D. C. On termination of a registered employee from a licensed agency,
40 the employee shall immediately surrender the identification card to the
41 agency's qualifying party or designee. The qualifying party or designee
42 shall forward the registrant's identification card to the department within
43 five BUSINESS days of receipt. IF THE EMPLOYEE FAILS OR REFUSES TO SURRENDER
44 THE CARD TO THE QUALIFYING PARTY OR DESIGNEE, THE QUALIFYING PARTY OR

1 DESIGNEE SHALL NOTIFY THE DIRECTOR WITHIN FIVE BUSINESS DAYS OF THE
2 TERMINATION OF THE EMPLOYMENT WITH THE LICENSEE.

3 Sec. 24. Section 32-2453, Arizona Revised Statutes, is amended to
4 read:

5 32-2453. Business address; posting of license

6 A. Each licensed agency shall have at least one physical location from
7 which the normal business of the agency is conducted. The address of this
8 location shall be on file with the department at all times as required by
9 section 32-2423, subsection A and section 32-2425, subsection D.

10 B. The AGENCY license certificate issued by the director DEPARTMENT
11 shall be posted in a conspicuous place in the principal office of the private
12 investigation agency. The branch office certificate shall be conspicuously
13 posted in the branch office of the agency for which it is issued.

14 Sec. 25. Section 32-2456, Arizona Revised Statutes, is amended to
15 read:

16 32-2456. Authority to investigate complaint; filing; response;
17 retention of records

18 A. The department may investigate any licensee, registrant, associate,
19 employee or person if that licensee, registrant, associate, employee or
20 person is advertising as providing or is engaged in performing services that
21 require licensure or registration under this chapter. ~~and~~

22 B. THE DEPARTMENT shall investigate if a licensee or registrant is
23 engaged in activities that do not comply with or are prohibited by this
24 chapter.

25 ~~B.~~ C. The department shall enforce the ~~provisions of~~ this chapter
26 without regard to the place or location in which a violation may have
27 occurred. ~~and,~~

28 D. On the complaint of any person or on its own initiative, THE
29 DEPARTMENT may investigate any suspected violation of this chapter or the
30 business and business methods of any licensee, registrant or employee of a
31 licensee or applicant for licensure or registration under this chapter.

32 ~~C.~~ E. Complaints filed against any licensee, associate, registrant
33 or employee of a licensee shall be in writing on such forms as the director
34 DEPARTMENT prescribes and shall be filed with the department.

35 ~~D.~~ F. In any investigation undertaken by the department, each
36 licensee, associate, registrant, applicant, agency or employee, on request
37 of the department, shall provide records and shall truthfully respond to
38 questions concerning activities regulated under this chapter. These records
39 shall be maintained for five years at the principal place of business of the
40 licensee, or at ~~any other~~ ANOTHER location for a person whose license has
41 been terminated, cancelled or revoked. On request by the department during
42 normal business hours or other AT ANOTHER time acceptable to the parties, the
43 records shall be made available immediately to the department unless the

1 department determines that an extension may be granted. The licensee shall
2 provide copies of any records requested by the department.

3 Sec. 26. Section 32-2457, Arizona Revised Statutes, is amended to
4 read:

5 32-2457. Grounds for disciplinary action; emergency summary
6 suspension; judicial review

7 A. The following constitute grounds for which disciplinary action
8 specified in subsection B of this section may be taken against a
9 licensee, ~~associate, OR registrant or, employee of the licensee engaged in~~
10 ~~activities regulated under this chapter~~ IF THE LICENSEE IS OTHER THAN AN
11 INDIVIDUAL, AGAINST THE LICENSEE'S QUALIFYING PARTY OR ANY OF ITS ASSOCIATES,
12 DIRECTORS OR MANAGERS:

13 1. Fraud or wilful misrepresentation in applying for an original
14 license or registration or the renewal of an existing license or
15 registration.

16 2. Using any letterhead, advertising ADVERTISEMENT or other printed
17 matter in any manner or representing that the licensee, associate, registrant
18 or employee of the licensee is an instrumentality of the federal government,
19 a state or any political subdivision of a state.

20 3. Using a name THAT IS different from that under which the licensee,
21 associate, registrant or employee of the licensee is currently licensed for
22 any advertising ADVERTISEMENT, solicitation or contract to secure business
23 unless the name is an authorized fictitious name.

24 4. Impersonating, permitting or aiding and abetting an employee or
25 registrant to impersonate a law enforcement officer or employee of the United
26 States, any state or a political subdivision of a state.

27 5. Knowingly violating, OR advising, encouraging or assisting the
28 violation of, any statute, court order, ~~capias~~, warrant or injunction in the
29 course of a business regulated under this chapter.

30 6. Falsifying fingerprints, or photographs OR OTHER DOCUMENTS while
31 operating under this chapter.

32 7. Conviction of a felony.

33 8. Conviction of any act involving ~~illegally using, carrying or~~
34 ~~possessing a dangerous weapon~~ A WEAPON PURSUANT TO SECTION 13-3102.

35 9. Conviction of any act of personal violence or force against any
36 person or conviction of threatening to commit any act of personal violence
37 or force against any person.

38 10. Soliciting business for an attorney in return for compensation.

39 11. Conviction of any act constituting dishonesty or fraud.

40 12. Being placed on probation, or parole OR COMMUNITY SUPERVISION FOR
41 ANY CRIME or being named in an outstanding arrest warrant.

42 ~~13. Committing, or permitting any associate, registrant or employee to~~
43 ~~commit, during the period between the expiration of a license or registration~~
44 ~~for failure to renew within the time fixed by this chapter and the~~

1 ~~reinstatement of the license or registration any act that would be cause for~~
2 ~~the suspension or revocation of the license or registration or grounds for~~
3 ~~denial of the application for the license or registration.~~

4 13. COMMITTING OR KNOWINGLY PERMITTING ANY EMPLOYEE TO COMMIT ANY
5 VIOLATION OF THIS CHAPTER OR RULES ADOPTED PURSUANT TO THIS CHAPTER.

6 14. Wilfully failing or refusing to render to a client services or a
7 report as agreed between the parties and for which compensation has been paid
8 or tendered in accordance with the agreement of the parties.

9 15. The unauthorized release of information acquired on behalf of a
10 client by a licensee, associate or registrant as a result of activities
11 regulated under this chapter.

12 16. Failing or refusing to cooperate with or refusing access to an
13 authorized representative of the department engaged in an official
14 investigation pursuant to this chapter.

15 17. Employing or contracting with any unregistered or improperly
16 registered person or unlicensed or improperly licensed person or agency to
17 conduct activities regulated under this chapter if the licensure or
18 registration status was known or could have been ascertained by reasonable
19 inquiry.

20 18. Permitting, authorizing, aiding or in any way assisting a
21 registered employee to conduct services as described in this chapter on an
22 independent contractor basis and not under the authority of the licensed
23 agency.

24 19. ~~Failure~~ FAILING to maintain in full force and effect workers'
25 compensation insurance, if applicable.

26 20. Conducting private investigation services regulated by this chapter
27 on a ~~AN EXPIRED~~, revoked or suspended license or registration.

28 21. Accepting employment, contracting or in any way engaging in
29 employment that has an adverse impact on investigations being conducted on
30 behalf of clients.

31 22. Advertising in a false, deceptive or misleading manner.

32 23. Failing to display ON REQUEST the identification card issued by the
33 department as required under section 32-2451, subsection B.

34 24. Committing any act of unprofessional conduct.

35 B. On completion of an investigation, the director:

36 1. May dismiss the case.

37 2. May take emergency action.

38 3. May issue a letter of concern, if applicable.

39 4. May forward the findings to the ~~private investigator and security~~
40 ~~guard hearing board~~ for review and possible disciplinary action.

41 5. Shall place all records, evidence, findings and conclusions and any
42 other information pertinent to the investigation in the public records
43 section of the file maintained at the department.

1 C. A letter of concern is a public document and may be used in future
2 disciplinary actions against a licensee.

3 D. If the department finds, based on its investigation, that the
4 public health, safety or welfare requires emergency action, the director may
5 order a summary suspension of a license or registration pending proceedings
6 for revocation or other action. If the director issues this order, the
7 department shall serve the licensee or registrant with a written notice of
8 complaint and formal hearing, setting forth the charges made against the
9 licensee or registrant and the licensee's or registrant's right to a formal
10 hearing before the board pursuant to title 41, chapter 6, article 10.

11 E. If the department finds, based on its investigation, that a
12 violation of subsection A of this section occurred, a hearing by the private
13 ~~investigator and security guard hearing board~~ may be scheduled pursuant to
14 title 41, chapter 6, article 10. THE DEPARTMENT SHALL SEND NOTICE OF THE
15 HEARING BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE LICENSEE'S OR
16 REGISTRANT'S LAST KNOWN ADDRESS IN THE DEPARTMENT'S RECORDS.

17 F. Based on information the ~~private investigator and security guard~~
18 ~~hearing board~~ receives during a hearing pursuant to title 41, chapter 6,
19 article 10, it may recommend to the director that the director:

20 1. Dismiss the complaint if the board believes it is without merit.

21 2. Fix a period and terms of probation best adapted to protect the
22 public health and safety and to rehabilitate or educate the licensee or
23 registrant.

24 3. Place the license or registration on suspension for a period of not
25 more than twelve months.

26 4. Revoke the license or registration.

27 G. On a finding by the board and review and concurrence by the
28 director that a licensee or registrant committed a violation of subsection
29 A of this section, the probation, suspension or revocation applies to all
30 licenses or registrations held by a licensee or registrant under this
31 chapter.

32 H. Except as provided in section 41-1092.08, subsection H, a person
33 may appeal a final administrative decision made pursuant to this section to
34 the superior court pursuant to title 12, chapter 7, article 6.

35 Sec. 27. Section 32-2458, Arizona Revised Statutes, is amended to
36 read:

37 32-2458. Violation; classification

38 Except as provided in section ~~32-2421~~ 32-2411, a licensee, associate,
39 registrant or employee who violates any provision of this chapter is guilty
40 of a class 1 misdemeanor.

1 Sec. 28. Section 32-2459, Arizona Revised Statutes, as transferred and
2 renumbered by this act, is amended to read:

3 32-2459. Grounds for refusal to issue agency license; associate
4 and employee registration and identification;
5 judicial review

6 A. The director DEPARTMENT may deny an agency license or the renewal
7 of an agency license if the applicant has:

8 1. Committed any act that, if committed by a licensee, would be
9 grounds for the probation of a licensee or the suspension or revocation of
10 a license under this chapter.

11 ~~2. Been an associate of any person who has been refused a license~~
12 ~~under this chapter or who has had a license revoked.~~

13 2. DOES NOT MEET THE REQUIREMENTS PRESCRIBED IN SECTION 32-2422.

14 3. While not licensed under this chapter, committed, or aided and
15 abetted the commission of, any act for which a license is required by this
16 chapter OR HAS ACTED OR ATTEMPTED TO ACT AS A PRIVATE INVESTIGATOR SERVICE
17 OR PRIVATE INVESTIGATOR.

18 4. Knowingly made a material ~~misstatement~~ FALSE STATEMENT in
19 connection with an THE application for a license or renewal of a license.

20 ~~5. Not reached the minimum age of twenty-one years.~~

21 ~~6. Not met the citizenship or residency requirements under section~~
22 ~~32-2422, subsection A, paragraph 2.~~

23 ~~7. Failed to provide proof of good moral character.~~

24 ~~8. Been convicted of a felony.~~

25 ~~9. Been convicted of any act involving illegally using, carrying or~~
26 ~~possessing a dangerous weapon.~~

27 ~~10. Been convicted of any act of personal violence or force on any~~
28 ~~person or convicted of threatening to commit any act of personal violence or~~
29 ~~force against another person.~~

30 ~~11. Been convicted of any act constituting dishonesty or fraud.~~

31 ~~12. Been named in a current outstanding arrest warrant or is currently~~
32 ~~on probation or parole.~~

33 ~~13. A current license or was licensed previously in another state or~~
34 ~~jurisdiction and has failed to remain in good standing within that state or~~
35 ~~jurisdiction.~~

36 5. HAS BEEN DENIED AN AGENCY LICENSE UNDER THIS CHAPTER.

37 6. HAS BEEN AN ASSOCIATE OF AN AGENCY THAT HAS HAD A LICENSE REVOKED.

38 ~~14.~~ 7. Failed to provide adequate verification of required
39 investigative experience.

40 ~~B. The director may deny the issuance of an identification card to an~~
41 ~~applicant for an agency, associate or employee registration if the applicant~~
42 ~~fails to meet the qualifications under subsection A, paragraphs 1 through 4~~
43 ~~and 6 through 12 of this section.~~

1 B. THE DEPARTMENT MAY DENY THE ISSUANCE OF AN IDENTIFICATION CARD TO
2 AN APPLICANT FOR AN ASSOCIATE OR EMPLOYEE REGISTRATION IF THE APPLICANT:

- 3 1. FAILS TO MEET THE QUALIFICATIONS UNDER SECTION 32-2441.
4 2. HAS COMMITTED ANY ACT THAT WOULD BE GROUNDS FOR SUSPENSION OR
5 REVOCATION OF REGISTRATION PURSUANT TO THIS CHAPTER.
6 3. HAS KNOWINGLY MADE ANY FALSE STATEMENT ON THE APPLICATION.

7 C. The denial of the issuance of an identification card or license
8 under this article shall be in writing and shall describe the basis for the
9 denial. A hearing to contest a denial shall be held in accordance with title
10 41, chapter 6, article 10.

11 D. Except as provided in section 41-1092.08, subsection H, final
12 decisions of the director are subject to judicial review pursuant to title
13 12, chapter 7, article 6.

14 Sec. 29. Section 32-2460, Arizona Revised Statutes, as transferred and
15 renumbered by this act, is amended to read:

16 32-2460. Authority to employ unlicensed persons; duty to
17 maintain records

18 A. Except as provided in this chapter, a licensee may employ as many
19 unlicensed or unregistered persons as may be necessary to assist the licensee
20 in his business and the licensee is at all times legally responsible for the
21 good conduct in the business of each person employed. This section does not
22 authorize any unlicensed or unregistered person to perform any service of a
23 type for which a license or registration is required under this chapter
24 unless he THE PERSON performs the service as a properly registered employee
25 of a licensee.

26 B. Every licensed agency shall keep an accurate and current record of
27 pertinent information on all employees that is available to the director
28 DEPARTMENT on request.

29 ~~C. The licensee, if required shall maintain in full force and effect~~
30 ~~workers' compensation insurance.~~

31 Sec. 30. Title 32, chapter 24, article 4, Arizona Revised Statutes,
32 as renumbered by this act, is amended by adding section 32-2461, to read:

33 32-2461. Identification card; form

34 THE DEPARTMENT SHALL ISSUE A STANDARD IDENTIFICATION CARD TO EACH
35 HOLDER OF A LICENSE OR REGISTRATION CERTIFICATE. THE DEPARTMENT SHALL
36 DETERMINE THE SIZE AND DESIGN OF THE IDENTIFICATION CARD, AND THE CARD SHALL
37 CONTAIN THE FOLLOWING INFORMATION:

- 38 1. NAME OF EMPLOYEE.
39 2. PHOTOGRAPH OF EMPLOYEE.
40 3. PHYSICAL DESCRIPTION OF EMPLOYEE.
41 4. EMPLOYER'S REGISTRATION CERTIFICATE NUMBER.
42 5. EXPIRATION DATE.
43 6. ANY OTHER INFORMATION THAT THE DEPARTMENT DETERMINES TO BE
44 NECESSARY.

1 Sec. 31. Section 32-2601, Arizona Revised Statutes, is amended to
2 read:

3 32-2601. Definitions

4 In this chapter, unless the context otherwise requires:

5 1. "ADVERTISING" MEANS SUBMITTING BIDS, CONTRACTING OR MAKING KNOWN
6 BY ANY PUBLIC NOTICE, PUBLICATION OR SOLICITATION OF BUSINESS, DIRECTLY OR
7 INDIRECTLY, THAT SERVICES REGULATED UNDER THIS CHAPTER ARE AVAILABLE FOR
8 CONSIDERATION.

9 2. "AGENCY LICENSE" MEANS A CERTIFICATE THAT IS AUTHENTICATED BY THE
10 DEPARTMENT AND THAT ATTESTS THAT A QUALIFYING PARTY IS AUTHORIZED TO CONDUCT
11 THE BUSINESS OF PRIVATE SECURITY GUARD SERVICE IN THIS STATE.

12 ~~1.~~ 3. "Applicant" means a person who has submitted a completed
13 application and all required application and fingerprint processing fees.

14 ~~2.~~ 4. "Armed security guard" means a ~~licensed~~ REGISTERED security
15 guard who wears, carries, possesses or has access to a firearm at any time
16 during the course of employment.

17 ~~3.~~ 5. "Associate" means a person designated by a qualifying party as
18 an authorized representative of the WHO IS A PARTNER OR CORPORATE OFFICER IN
19 A security guard agency.

20 ~~4.~~ 6. "Board" means the private investigator and security guard
21 hearing board established pursuant to section 32-2404.

22 7. "CONVICTION" MEANS AN ADJUDICATION OF GUILT BY A FEDERAL, STATE OR
23 LOCAL COURT RESULTING FROM TRIAL OR PLEA, INCLUDING A PLEA OF NO CONTEST,
24 REGARDLESS OF WHETHER OR NOT THE ADJUDICATION OF GUILT WAS SET ASIDE OR
25 VACATED.

26 ~~5.~~ 8. "Department" means the department of public safety.

27 ~~6.~~ 9. "Director" means the director of the department of public
28 safety.

29 10. "EMERGENCY ACTION" MEANS A SUMMARY SUSPENSION OF A LICENSE PENDING
30 REVOCATION, SUSPENSION OR PROBATION IN ORDER TO PROTECT THE PUBLIC HEALTH,
31 SAFETY OR WELFARE.

32 ~~7.~~ 11. "Employee" means an individual who works for an employer, is
33 listed on the employer's payroll records and is under the employer's
34 direction and control.

35 ~~8.~~ 12. "Employer" means a person WHO IS LICENSED PURSUANT TO THIS
36 CHAPTER, who employs an individual for wages or salary, WHO lists the
37 individual on the employer's payroll records and WHO withholds all legally
38 required deductions and contributions.

39 13. "IDENTIFICATION CARD" MEANS A CARD ISSUED BY THE DEPARTMENT TO A
40 QUALIFIED APPLICANT FOR AN AGENCY LICENSE, TO AN ASSOCIATE OR TO A
41 REGISTRANT.

42 ~~9.~~ 14. "Letter of concern" means an advisory letter to notify a
43 licensee that while there is insufficient evidence to support probation,
44 suspension or revocation of a license the department believes the licensee

1 should modify or eliminate certain practices and that continuation of the
2 activities that led to the information being submitted to the department may
3 result in further disciplinary action against the licensee's license.

4 ~~10.~~ 15. "Licensee" means a person to whom an agency license is granted
5 ~~in accordance with the provisions of~~ PURSUANT TO article 2 of this chapter.

6 ~~11.~~ 16. "Private security guard service" means any agency, individual
7 or employer in the business of furnishing to the public for hire, fee or
8 reward dogs, ~~private police, special police,~~ watchmen, patrol service,
9 private security guards or other persons to protect human life or to prevent
10 the theft or the misappropriation or concealment of goods, wares,
11 merchandise, money, bonds, stocks, notes, choses in action or other property,
12 valuable documents, papers and articles of value.

13 17. "PROPRIETARY COMPANY" MEANS A COMPANY THAT EMPLOYS SECURITY GUARDS
14 OR ARMED SECURITY GUARDS SOLELY FOR USE OF AND SERVICE TO ITSELF AND NOT FOR
15 OTHERS.

16 ~~12.~~ 18. "Provisional certificate" means a security guard provisional
17 certificate issued to a security guard applicant ~~on~~ AFTER initial application
18 and payment of application and fingerprint processing fees.

19 19. "QUALIFYING PARTY" MEANS THE INDIVIDUAL WHO MEETS THE
20 QUALIFICATIONS UNDER THIS CHAPTER FOR AN AGENCY LICENSE.

21 20. "REGISTRANT" MEANS AN EMPLOYEE OF A LICENSED AGENCY WHO IS
22 QUALIFIED TO PERFORM THE SERVICES OF A SECURITY GUARD.

23 ~~13.~~ 21. "Registration certificate" means a ~~security guard registration~~
24 certificate issued to an applicant who, after investigation, THAT IS
25 AUTHENTICATED BY THE DEPARTMENT AND THAT ATTESTS THAT AN EMPLOYEE OF A
26 BUSINESS HOLDING AN AGENCY LICENSE has satisfactorily complied with the
27 provisions of article 3 of this chapter.

28 ~~14.~~ 22. "Restructuring" means any change in a business' legal status.

29 ~~15.~~ 23. "Security guard" means any person employed by a private
30 security guard service OR PROPRIETARY COMPANY as a ~~private policeman, special~~
31 ~~policeman,~~ watchman, patrolman, bodyguard, personal protection guard, private
32 security guard or other person who performs security guard services, but does
33 not include any regularly commissioned police or peace officer or railroad
34 police appointed pursuant to section 40-856.

35 24. "UNPROFESSIONAL CONDUCT" MEANS ANY OF THE FOLLOWING:

36 (a) ENGAGING OR OFFERING TO ENGAGE BY FRAUD OR MISREPRESENTATION IN
37 ACTIVITIES REGULATED BY THIS CHAPTER.

38 (b) AIDING OR ABETTING A PERSON WHO IS NOT LICENSED OR REGISTERED
39 PURSUANT TO THIS CHAPTER IN REPRESENTING THAT PERSON AS A SECURITY GUARD IN
40 THIS STATE.

41 (c) GROSS NEGLIGENCE IN THE PRACTICE OF A SECURITY GUARD.

42 (d) FAILING OR REFUSING TO MAINTAIN ADEQUATE RECORDS ON A CLIENT
43 CONTAINING AT LEAST SUFFICIENT INFORMATION TO IDENTIFY THE CLIENT, THE DATES
44 OF SERVICE, THE FEE FOR SERVICE AND THE PAYMENTS FOR SERVICE.

1 (e) COMMITTING A FELONY OR A MISDEMEANOR INVOLVING ANY CRIME THAT IS
2 GROUNDS FOR DENIAL, SUSPENSION OR REVOCATION OF A SECURITY GUARD AGENCY
3 LICENSE OR EMPLOYEE REGISTRATION CERTIFICATE. IN ALL CASES, CONVICTION BY
4 A COURT OF COMPETENT JURISDICTION OR A PLEA OF NO CONTEST IS CONCLUSIVE
5 EVIDENCE OF THE COMMISSION.

6 (f) MAKING A FRAUDULENT OR FALSE STATEMENT TO THE DEPARTMENT, THE
7 BOARD OR THE DEPARTMENT'S INVESTIGATORS, STAFF OR CONSULTANTS.

8 Sec. 32. Section 32-2602, Arizona Revised Statutes, is amended to
9 read:

10 32-2602. Administration by director; duty to keep records:
11 rules

12 A. ~~The provisions of this chapter shall be administered by The~~
13 ~~director of the department of public safety SHALL ADMINISTER THIS CHAPTER.~~

14 B. The director DEPARTMENT shall keep a record of:

15 1. All applications for licenses or registration under the provisions
16 of this chapter. , including

17 2. A statement as to whether a license, registration certificate,
18 renewal license, renewal registration certificate or provisional registration
19 certificate has been issued under each application. , and

20 3. If A LICENSE OR REGISTRATION CERTIFICATE IS revoked or suspended,
21 the date of filing the order for revocation or suspension. ~~The director~~
22 ~~shall maintain~~

23 4. A list of all individuals, qualifying parties, firms, partnerships,
24 associations or corporations who THAT have had such licenses or registrations
25 revoked or suspended and a written record of complaints filed against any
26 licensees or registrants. ~~The director shall maintain a record of~~

27 5. All insurance policies required to be filed under this chapter.

28 C. THE DEPARTMENT SHALL MAINTAIN ALL RECORDS KEPT PURSUANT TO
29 SUBSECTION B FOR AT LEAST FIVE YEARS. ~~At THE records, referred to in this~~
30 ~~subsection shall be EXCEPT THE FINANCIAL STATEMENT OF LICENSEES, ARE open to~~
31 inspection as public records.

32 ~~C. D. The director DEPARTMENT shall prescribe ADOPT and enforce such~~
33 ~~rules and regulations, THAT ARE not in conflict with the laws of this~~
34 ~~state, as AND THAT are necessary to enforce this chapter.~~

35 Sec. 33. Repeal

36 Section 32-2603, Arizona Revised Statutes, is repealed.

37 Sec. 34. Section 32-2605, Arizona Revised Statutes, is amended to
38 read:

39 32-2605. Power of local authorities

40 This chapter ~~shall not be construed to~~ DOES NOT prevent any political
41 subdivision of the THIS state from prescribing additional requirements for
42 regulation of security guard agencies, but ~~no~~ THE POLITICAL SUBDIVISION MAY
43 NOT ASSESS AN additional fee ~~shall be charged by said subdivision.~~

1 Sec. 35. Title 32, chapter 26, article 1, Arizona Revised Statutes,
2 is amended by adding section 32-2606, to read:

3 32-2606. Exceptions

4 THIS CHAPTER DOES NOT APPLY TO:

5 1. AN OFFICER OR EMPLOYEE OF THE FEDERAL GOVERNMENT, THIS STATE OR A
6 POLITICAL SUBDIVISION OF THIS STATE WHILE THE OFFICER OR EMPLOYEE IS
7 PERFORMING OFFICIAL DUTIES.

8 2. AN INDIVIDUAL WHO PERFORMS SECURITY RELATED WORK AT:

9 (a) A COMMERCIAL NUCLEAR GENERATING STATION THAT IS SUBJECT TO FEDERAL
10 REGULATORY REQUIREMENTS.

11 (b) A COMPANY THAT IS SUBJECT TO DEPARTMENT OF DEFENSE REGULATORY
12 REQUIREMENTS.

13 3. A COMPANY THAT EMPLOYS SECURITY GUARDS SOLELY FOR USE OF AND
14 SERVICE TO ITSELF AND NOT FOR OTHERS AND THAT COMPLIES WITH THE FOLLOWING
15 REQUIREMENTS:

16 (a) IF THE COMPANY'S SECURITY GUARDS ARE ARMED, EACH GUARD MUST
17 COMPLETE SIXTEEN HOURS OF FIREARMS TRAINING INITIALLY AND COMPLETE AN
18 ADDITIONAL EIGHT HOURS OF REFRESHER TRAINING EACH YEAR THEREAFTER.

19 (b) IF THE SECURITY GUARD WEARS A UNIFORM OR BADGE, THE UNIFORM OR
20 BADGE MUST STRICTLY CONFORM TO THE STANDARDS ESTABLISHED BY THE DEPARTMENT
21 PURSUANT TO THIS CHAPTER.

22 (c) THE COMPANY MUST ANNUALLY SUBMIT AN AFFIDAVIT TO THE DEPARTMENT
23 THAT ATTESTS TO THE COMPANY'S COMPLIANCE WITH ITS INTERNAL PROCEDURES THAT
24 REQUIRE A BACKGROUND INVESTIGATION FOR EACH OF ITS SECURITY GUARDS.

25 Sec. 36. Transfer and renumber

26 Section 32-2631, Arizona Revised Statutes, is transferred and
27 renumbered for placement in title 32, chapter 26, article 1, Arizona Revised
28 Statutes, as section 32-2607.

29 Sec. 37. Section 32-2607, Arizona Revised Statutes, as transferred and
30 renumbered by this act, is amended to read:

31 32-2607. Fees

32 A. The director DEPARTMENT shall charge and collect REASONABLE FEES
33 AS DETERMINED BY THE DIRECTOR TO COVER THE OPERATIONAL AND EQUIPMENT COSTS
34 OF REGULATING THE SECURITY GUARD INDUSTRY. ~~the following fees under the~~
35 ~~provisions of this chapter:~~

36 ~~1. For an original agency license application, four hundred fifty~~
37 ~~dollars, plus an additional fee for the costs of fingerprint processing.~~

38 ~~2. For an original agency license, three hundred dollars.~~

39 ~~3. For a three year renewal of an agency license, three hundred~~
40 ~~dollars, plus an additional fee for the costs of fingerprint processing.~~

41 ~~4. For an original security guard provisional certificate application,~~
42 ~~ten dollars, plus an additional fee for the costs of fingerprint processing.~~

43 ~~5. For an original security guard or armed security guard registration~~
44 ~~certificate, twenty dollars.~~

1 ~~6. For a three year renewal of a security guard or armed security~~
2 ~~guard registration certificate, twenty dollars, plus an additional fee for~~
3 ~~the costs of fingerprint processing.~~

4 ~~7. For a duplicate provisional certificate or registration~~
5 ~~certificate, four dollars.~~

6 ~~8. For reclassification or restructuring of an agency license, one~~
7 ~~hundred dollars, plus an additional fee for the costs of fingerprint~~
8 ~~processing.~~

9 ~~9. For filing an agency renewal application after the expiration date~~
10 ~~of the license, a delinquency fee of fifty dollars.~~

11 ~~10. For filing an original security guard or armed security guard~~
12 ~~registration certificate application or a security guard or armed security~~
13 ~~guard registration certificate renewal application after the expiration date,~~
14 ~~a delinquency fee of ten dollars.~~

15 ~~B. For the purposes of subsection A, the director shall set the~~
16 ~~fingerprint processing fee and it shall not exceed fifty dollars or the cost~~
17 ~~to the department charged by the federal bureau of investigation for~~
18 ~~fingerprint processing, whichever is less.~~

19 ~~C. B. An agency license granted under this article CHAPTER may be~~
20 ~~renewed on AFTER RECEIVING AN application on such form as the director~~
21 ~~DEPARTMENT prescribes, the payment of renewal fees RECEIPT OF THE FEES~~
22 ~~PRESCRIBED PURSUANT TO SUBSECTION A and proof of required liability insurance~~
23 ~~and workers' compensation. In no event shall renewal be granted more than~~
24 ~~ninety days after the expiration date of a license. No person, firm,~~
25 ~~company, partnership or corporation may carry on any business subject to this~~
26 ~~article during any period that may exist between the date of expiration of~~
27 ~~a license and the renewal of the license.~~

28 ~~D. C. A security guard or armed security guard registration~~
29 ~~certificate granted under this article may be issued on AFTER application on~~
30 ~~such form as the director DEPARTMENT prescribes, the payment of required fees~~
31 ~~PRESCRIBED PURSUANT TO SUBSECTION A and proof of the completion of training~~
32 ~~as required by this chapter. In no event shall the issuance be granted more~~
33 ~~than ninety days after the expiration date of the provisional~~
34 ~~certificate. No person may act or may be employed as a security guard or~~
35 ~~armed security guard during any period that may exist between the date of~~
36 ~~expiration of the provisional certificate and the issuance of the~~
37 ~~registration certificate.~~

38 ~~E. D. A security guard or armed security guard registration~~
39 ~~certificate granted under this article may be renewed on AFTER application~~
40 ~~on such form as the director DEPARTMENT prescribes and the payment of renewal~~
41 ~~fees. In no event shall renewal be granted more than ninety days after the~~
42 ~~expiration date of the certificate. No person may act or may be employed as~~
43 ~~a security guard or armed security guard during any period that may exist~~

1 ~~between the date of expiration of the certificate and the renewal of the~~
2 ~~certificate.~~

3 ~~F. A suspended license or registration certificate shall be renewed~~
4 ~~as provided in this article, but renewal of the license or registration~~
5 ~~certificate does not entitle the licensee, security guard or armed security~~
6 ~~guard while suspended, to engage in the regulated activity, or in any other~~
7 ~~activity or conduct in violation of the order or judgment by which the~~
8 ~~license or registration certificate was suspended.~~

9 E. THE DEPARTMENT SHALL NOT ISSUE A REGISTRATION CERTIFICATE MORE THAN
10 NINETY CALENDAR DAYS AFTER EXPIRATION OF THE PROVISIONAL CERTIFICATE. THE
11 DEPARTMENT SHALL NOT RENEW AN AGENCY LICENSE OR REGISTRATION CERTIFICATE MORE
12 THAN NINETY CALENDAR DAYS AFTER EXPIRATION. A LICENSEE OR REGISTRANT SHALL
13 NOT ENGAGE IN ANY ACTIVITY REGULATED BY THIS CHAPTER DURING ANY PERIOD
14 BETWEEN THE DATE OF EXPIRATION OF THE LICENSE OR REGISTRATION AND THE RENEWAL
15 OF THE LICENSE OR REGISTRATION.

16 F. THE DEPARTMENT MAY RENEW A SUSPENDED LICENSE OR REGISTRATION AS
17 PROVIDED IN THIS CHAPTER. WHILE SUSPENDED, THE RENEWAL OF THE LICENSE OR
18 REGISTRATION DOES NOT ENTITLE THE LICENSEE, SECURITY GUARD OR ARMED SECURITY
19 GUARD TO ENGAGE IN ANY ACTIVITY REGULATED BY THIS CHAPTER OR IN ANY OTHER
20 ACTIVITY OR CONDUCT IN VIOLATION OF THE ORDER OR JUDGMENT THAT SUSPENDED THE
21 LICENSE OR REGISTRATION CERTIFICATE.

22 G. THE DEPARTMENT SHALL NOT RENEW a revoked license or registration
23 certificate ~~shall not be renewed~~. THE DEPARTMENT SHALL NOT ACCEPT AN
24 APPLICATION FOR A LICENSE OR REGISTRATION FROM A PERSON WHOSE LICENSE OR
25 REGISTRATION HAS BEEN REVOKED UNTIL AT LEAST ONE YEAR AFTER THE DATE OF
26 REVOCATION.

27 Sec. 38. Title 32, chapter 26, article 1, Arizona Revised Statutes,
28 is amended by adding section 32-2608, to read:

29 32-2608. License or registration required; violation;
30 classification

31 A. A PERSON, EXCEPT A REGULARLY COMMISSIONED PEACE OFFICER, SHALL NOT
32 ACT OR ATTEMPT TO ACT OR REPRESENT THAT THE PERSON IS A SECURITY GUARD UNLESS
33 THE PERSON IS REGISTERED AS A SECURITY GUARD PURSUANT TO THIS CHAPTER AND IS
34 ACTING WITHIN THE SCOPE OF THE PERSON'S EMPLOYMENT FOR AN AGENCY LICENSED
35 PURSUANT TO ARTICLE 2 OF THIS CHAPTER.

36 B. A PERSON WHO KNOWINGLY VIOLATES THIS SECTION IS GUILTY OF A CLASS
37 1 MISDEMEANOR.

38 Sec. 39. Repeal

39 Section 32-2611, Arizona Revised Statutes, is repealed.

40 Sec. 40. Section 32-2612, Arizona Revised Statutes, is amended to
41 read:



1 32-2612. Qualifications of applicant for agency license;
2 substantiation of work experience

3 A. Each applicant, if an individual, or each partner, resident
4 officer, ASSOCIATE, director, or manager, if the applicant is other than an
5 individual, for an agency license to be issued pursuant to this chapter
6 shall:

7 1. Be at least twenty-one years of age.

8 2. Be a citizen or a legal resident of the United States who is
9 authorized to seek employment in the United States.

10 ~~3. Not be charged with or not have been convicted of any felony,~~
11 ~~unless such applicant's civil rights have been restored pursuant to title 13,~~
12 ~~chapter 9.~~

13 ~~4. Not have been convicted of any crime involving fraud, physical~~
14 ~~violence, illegal sexual conduct or the illegal use or possession of a deadly~~
15 ~~weapon.~~

16 ~~5. Not have been convicted of any crime involving any section of title~~
17 ~~13, chapter 34 or 34.1 or theft if such conviction occurred within the five~~
18 ~~years immediately preceding the application for an agency license.~~

19 ~~6. Not be a former licensee under this chapter whose license was~~
20 ~~revoked or suspended and not subsequently reinstated.~~

21 ~~7. Not have acted, or attempted to act, as a private security guard~~
22 ~~service or a security guard without a license if a license was required.~~

23 ~~8. Not be on probation, parole or community supervision for any crime~~
24 ~~or have any outstanding arrest warrants.~~

25 ~~9. Possess three years of full-time experience as a manager,~~
26 ~~supervisor or administrator of a security guard agency or three years of~~
27 ~~full-time supervisory experience with any federal, United States military,~~
28 ~~state, county or municipal law enforcement agency.~~

29 ~~10. Not suffer from mental illness as defined in section 13-4501, and~~
30 ~~shall not have been adjudicated mentally incompetent or been involuntarily~~
31 ~~committed to a mental institution.~~

32 3. NOT HAVE BEEN CONVICTED OF ANY FELONY OR CURRENTLY BE UNDER
33 INDICTMENT FOR A FELONY.

34 4. WITHIN THE FIVE YEARS IMMEDIATELY PRECEDING THE APPLICATION FOR AN
35 AGENCY LICENSE, NOT HAVE BEEN CONVICTED OF ANY MISDEMEANOR ACT INVOLVING:

36 (a) PERSONAL VIOLENCE OR FORCE AGAINST ANOTHER PERSON OR THREATENING
37 TO COMMIT ANY ACT OF PERSONAL VIOLENCE OR FORCE AGAINST ANOTHER PERSON.

38 (b) MISCONDUCT INVOLVING A DEADLY WEAPON AS PROVIDED IN SECTION

39 13-3102.

40 (c) DISHONESTY OR FRAUD.

41 (d) ARSON.

42 (e) THEFT.

43 (f) DOMESTIC VIOLENCE.

1 (g) A VIOLATION OF TITLE 13, CHAPTER 34 OR 34.1 OR AN OFFENSE THAT HAS
2 THE SAME ELEMENTS AS AN OFFENSE LISTED IN TITLE 13, CHAPTER 34 OR 34.1.

3 (h) SEXUAL MISCONDUCT.

4 5. NOT BE ON PAROLE, ON COMMUNITY SUPERVISION, ON WORK FURLOUGH, ON
5 HOME ARREST, ON RELEASE ON ANY OTHER BASIS OR NAMED IN AN OUTSTANDING ARREST
6 WARRANT.

7 6. NOT BE SERVING A TERM OF PROBATION PURSUANT TO A CONVICTION FOR ANY
8 ACT OF PERSONAL VIOLENCE OR DOMESTIC VIOLENCE, AS DEFINED IN SECTION 13-3601,
9 OR AN OFFENSE THAT HAS THE SAME ELEMENTS AS AN OFFENSE LISTED IN SECTION
10 13-3601.

11 7. NOT BE ANY OF THE FOLLOWING:

12 (a) ADJUDICATED MENTALLY INCOMPETENT.

13 (b) FOUND TO CONSTITUTE A DANGER TO SELF OR OTHERS PURSUANT TO SECTION
14 36-540.

15 (c) SUFFERING FROM A CONGENITAL MENTAL CONDITION, MENTAL CONDITION
16 RESULTING FROM INJURY OR DISEASE OR DEVELOPMENTAL DISABILITIES AS DEFINED
17 IN SECTION 36-551.

18 8. NOT HAVE BEEN CONVICTED OF ACTING OR ATTEMPTING TO ACT AS A
19 SECURITY GUARD OR A SECURITY GUARD AGENCY WITHOUT A LICENSE IF A LICENSE WAS
20 REQUIRED.

21 9. HAVE AT LEAST THREE YEARS OF FULL-TIME EXPERIENCE AS A MANAGER,
22 SUPERVISOR OR ADMINISTRATOR OF A SECURITY GUARD AGENCY OR THREE YEARS OF
23 FULL-TIME SUPERVISORY EXPERIENCE WITH ANY FEDERAL, UNITED STATES MILITARY,
24 STATE, COUNTY OR MUNICIPAL LAW ENFORCEMENT AGENCY.

25 B. AN APPLICANT FOR AN AGENCY LICENSE MUST SUBSTANTIATE MANAGERIAL
26 WORK EXPERIENCE CLAIMED AS YEARS OF QUALIFYING EXPERIENCE AND PROVIDE THE
27 EXACT DETAILS AS TO THE CHARACTER AND NATURE OF THE EXPERIENCE ON A FORM
28 PRESCRIBED BY THE DEPARTMENT AND CERTIFIED BY THE EMPLOYER. ON WRITTEN
29 REQUEST, AN EMPLOYER SHALL SUBMIT TO THE EMPLOYEE A WRITTEN CERTIFICATION OF
30 PRIOR WORK EXPERIENCE WITHIN THIRTY CALENDAR DAYS. THE WRITTEN CERTIFICATION
31 IS SUBJECT TO INDEPENDENT VERIFICATION BY THE DEPARTMENT. IF AN EMPLOYER
32 GOES OUT OF BUSINESS, THE EMPLOYER SHALL PROVIDE REGISTERED EMPLOYEES WITH
33 A COMPLETE AND ACCURATE RECORD OF THEIR WORK HISTORY. IF AN APPLICANT IS
34 UNABLE TO SUPPLY WRITTEN CERTIFICATION FROM AN EMPLOYER IN WHOLE OR IN PART,
35 THE APPLICANT MAY OFFER WRITTEN CERTIFICATION FROM PERSONS OTHER THAN AN
36 EMPLOYER COVERING THE SAME SUBJECT MATTER FOR CONSIDERATION BY THE
37 DEPARTMENT. THE BURDEN OF PROVING THE MINIMUM YEARS OF EXPERIENCE IS ON THE
38 APPLICANT.

39 C. THE DEPARTMENT MAY DENY AN AGENCY LICENSE IF THE DEPARTMENT
40 DETERMINES THAT THE APPLICANT IS UNFIT BASED ON A CONVICTION, CITATION OR
41 ENCOUNTER WITH LAW ENFORCEMENT FOR A STATUTORY VIOLATION.

1 Sec. 41. Section 32-2613, Arizona Revised Statutes, is amended to
2 read:

3 32-2613. Application for agency license; financial
4 responsibility; notice and opportunity to supply
5 additional information

6 A. Every application for an original or renewal agency license to
7 operate as a private security guard service shall set forth verified
8 information to assist the director DEPARTMENT in determining the applicant's
9 ability to meet the requirements set forth in this chapter, and containing
10 SHALL INCLUDE the following:

11 1. The full name and BUSINESS address of the applicant ~~who is the~~
12 ~~qualifying party.~~

13 2. The name under which the applicant intends to do business.

14 3. A statement as to the general nature of the business in which the
15 applicant intends to engage, including identification of armed security guard
16 training requirements and identification of employees acting as armed
17 security guards.

18 4. ~~Two recent Photographs of the applicant of a NUMBER AND type~~
19 ~~prescribed by the director DEPARTMENT. and one classifiable set of~~
20 ~~fingerprints for the purpose of obtaining a state and national criminal~~
21 ~~records check pursuant to section 41-1750 and Public Law 92-544. The~~
22 ~~department may exchange fingerprint data with the federal bureau of~~
23 ~~investigation.~~

24 5. FINGERPRINTS OF THE APPLICANT OF A QUALITY AND NUMBER PRESCRIBED
25 BY THE DEPARTMENT FOR THE PURPOSE OF OBTAINING STATE AND FEDERAL CRIMINAL
26 RECORDS CHECKS PURSUANT TO SECTION 41-1750 AND PUBLIC LAW 92-544. THE
27 DEPARTMENT MAY EXCHANGE THIS FINGERPRINT DATA WITH THE FEDERAL BUREAU OF
28 INVESTIGATION. THE DEPARTMENT MAY CONDUCT PERIODIC STATE CRIMINAL HISTORY
29 CHECKS TO ENSURE CONTINUED QUALIFICATION UNDER THIS CHAPTER.

30 ~~5.~~ 6. A verified statement of the applicant's experience and
31 qualifications.

32 ~~6.~~ 7. Such other information, evidence, statements or documents as
33 may reasonably be required by the director.

34 B. If the applicant is other than an individual, each of its partners,
35 resident officers, associates, directors and managers, in addition to its
36 qualifying party, shall comply with the requirements of subsection A of this
37 section. If the applicant is other than an individual, the application shall
38 contain the full name and address of each of its board members, the
39 president, vice-president, secretary and treasurer. The person who will
40 manage the business conducted in this state shall comply in full with the
41 requirements of subsection A of this section.

42 C. An application for an original or a renewal agency license shall
43 be accompanied by:

44 1. The fee as prescribed by PURSUANT TO section ~~32-2631~~ 32-2607.

1 2. A certificate of a liability insurance policy, issued by an
2 insurance company licensed or authorized to do business in this state. The
3 minimum limits of such liability insurance policies shall be established by
4 the director DEPARTMENT. Any insurer issuing such a policy shall give
5 written notice to the department of any cancellation of such policy. Such
6 notice shall be given by the insurer to the director at least ten days before
7 such cancellation, ~~by certified mail, postage prepaid thereon.~~

8 3. A certificate of workers' compensation insurance.

9 4. A completed form describing such THE agency's training program for
10 employees as described in section 32-2632, subsection A, including training
11 requirements for and identification of armed security guards employed by the
12 agency. The form shall be as prescribed by the director and require such
13 information as the director deems necessary.

14 D. IF AN APPLICATION IS INCOMPLETE, THE DEPARTMENT SHALL NOTIFY THE
15 APPLICANT PURSUANT TO SECTION 41-1074. IF THE DEPARTMENT REQUIRES ADDITIONAL
16 INFORMATION TO MAKE A DECISION ON LICENSURE, THE DEPARTMENT SHALL NOTIFY THE
17 APPLICANT PURSUANT TO SECTION 41-1075. THE DEPARTMENT SHALL SEND NOTICES
18 UNDER THIS SUBSECTION TO THE APPLICANT'S LAST KNOWN RESIDENTIAL ADDRESS AND
19 SHALL INCLUDE SUFFICIENT INFORMATION TO ASSIST THE APPLICANT TO COMPLETE THE
20 APPLICATION PROCESS. THE APPLICANT HAS FORTY-FIVE CALENDAR DAYS FROM THE
21 DATE OF NOTIFICATION TO PROVIDE THE ADDITIONAL DOCUMENTATION. IF THE
22 APPLICANT FAILS TO RESPOND WITHIN FORTY-FIVE CALENDAR DAYS, THE APPLICATION
23 AND ANY CERTIFICATES ISSUED ARE AUTOMATICALLY SUSPENDED UNTIL THE DEPARTMENT
24 RECEIVES THE NECESSARY DOCUMENTATION TO APPROVE OR DENY THE APPLICATION.

25 Sec. 42. Section 32-2614, Arizona Revised Statutes, is amended to
26 read:

27 32-2614. Issuance of an agency license and identification card;
28 deadline for completing application

29 A. The director DEPARTMENT shall issue an agency license under this
30 article to any applicant who satisfactorily complies with the ~~provisions of~~
31 this chapter. Each agency license shall contain the name and address of such
32 licensee and the number of the license. ~~Such license AND shall be issued for~~
33 ~~three A PERIOD OF TWO years.~~

34 B. Upon the issuance of an agency license, an identification card as
35 described in section 32-2633 shall be issued to such licensee if an
36 individual, or if such licensee is other than an individual, to its
37 qualifying party, associates, resident managers and each of its resident
38 officers, associates, directors and partners. ~~, which shall be THE~~
39 IDENTIFICATION CARD IS evidence that the licensee is duly licensed pursuant
40 to this chapter. If any person to whom the card of an agency licensee, other
41 than an individual, is issued terminates his THE PERSON'S position, office
42 or association with such THE licensee, such THE PERSON SHALL SURRENDER THE
43 card ~~shall be surrendered to such THE licensee and within five BUSINESS days~~
44 ~~thereafter it shall be mailed or delivered by such THE licensee SHALL MAIL~~

1 OR DELIVER THE CARD to the director for cancellation. IF THE PERSON FAILS
2 OR REFUSES TO SURRENDER THE CARD TO THE LICENSEE, THE LICENSEE SHALL NOTIFY
3 THE DIRECTOR WITHIN FIVE BUSINESS DAYS OF THE TERMINATION OF THE PERSON'S
4 POSITION, OFFICE OR ASSOCIATION WITH THE LICENSEE.

5 C. ON NOTIFICATION BY THE DEPARTMENT TO AN APPLICANT THAT THE AGENCY
6 LICENSE IS READY FOR ISSUANCE, THE APPLICANT SHALL COMPLETE THE APPLICATION
7 PROCESS WITHIN NINETY CALENDAR DAYS. FAILURE TO COMPLETE THE PROCESS RESULTS
8 IN THE APPLICATION BEING CANCELED AND THE APPLICANT FORFEITS ALL
9 FEES. SUBSEQUENT APPLICATION BY THE SAME APPLICANT REQUIRES THE PAYMENT OF
10 ALL APPLICATION AND LICENSE FEES PRESCRIBED PURSUANT TO SECTION 32-2607.

11 ~~C.~~ D. An agency licensee shall, within fifteen THIRTY calendar days,
12 notify the ~~director~~ DEPARTMENT in writing of any change in the name or
13 address of ~~his~~ THE business or any change of ~~officers,~~ ASSOCIATES OR
14 ~~directors or partners.~~

15 Sec. 43. Title 32, chapter 26, article 2, Arizona Revised Statutes,
16 is amended by adding sections 32-2616 and 32-2617, to read:

17 32-2616. Qualifying party; responsibilities

18 A. AN APPLICANT FOR AN AGENCY LICENSE SHALL HAVE A QUALIFYING PARTY.

19 B. FOR A SOLE PROPRIETORSHIP, THE QUALIFYING PARTY SHALL BE THE AGENCY
20 LICENSEE.

21 C. FOR A PARTNERSHIP, CORPORATION OR LIMITED LIABILITY COMPANY, THE
22 QUALIFYING PARTY SHALL BE THE INDIVIDUAL WHO IS LIABLE FOR MANAGING THE
23 AGENCY. ALL OTHER PARTNERS OR CORPORATE OFFICERS SHALL REGISTER AS
24 ASSOCIATES PURSUANT TO ARTICLE 3 OF THIS CHAPTER.

25 D. IF THE QUALIFYING PARTY LIVES OUTSIDE THIS STATE, THE QUALIFYING
26 PARTY SHALL DESIGNATE A RESIDENT MANAGER WHO IS A MANAGER OF THE AGENCY, WHO
27 MAINTAINS FULL-TIME LEGAL RESIDENCY IN THIS STATE AND WHO MEETS THE
28 REQUIREMENTS OF SECTIONS 32-2612 AND 32-2613.

29 E. IF REQUIRED, THE QUALIFYING PARTY SHALL MAINTAIN WORKERS'
30 COMPENSATION INSURANCE IN EFFECT.

31 32-2617. Branch office certificate

32 A. A LICENSEE MAY NOT ESTABLISH A BRANCH OFFICE OF A LICENSED AGENCY
33 UNLESS THE DEPARTMENT HAS ISSUED A BRANCH OFFICE CERTIFICATE.

34 B. A BRANCH OFFICE CERTIFICATE AUTHORIZES THE QUALIFYING PARTY OF AN
35 AGENCY LICENSEE TO CONDUCT THE BUSINESS OF A PRIVATE SECURITY GUARD SERVICE
36 AGENCY IN THIS STATE AT A LOCATION OTHER THAN THE PRINCIPAL PLACE OF BUSINESS
37 SHOWN ON THE AGENCY LICENSE.

38 C. AN APPLICATION FOR A BRANCH OFFICE CERTIFICATE SHALL BE ON SUCH
39 FORM AS THE DEPARTMENT PRESCRIBES.

40 D. THE BRANCH OFFICE CERTIFICATE SHALL BE ISSUED IN THE NAME OF THE
41 LICENSED AGENCY ONLY.

1 Sec. 44. Heading change

2 The article heading of title 32, chapter 26, article 3, Arizona Revised
3 Statutes, is changed from "SECURITY GUARD REGISTRATION" to "REGISTRATION
4 CERTIFICATES".

5 Sec. 45. Section 32-2622, Arizona Revised Statutes, is amended to
6 read:

7 32-2622. Qualifications of applicant for associate security
8 guard or armed security guard registration
9 certificate

10 A. An applicant for AN ASSOCIATE OR a security guard registration
11 certificate to be issued pursuant to this article shall:

12 ~~1. Be a citizen or a legal resident of the United States who is at~~
13 ~~least eighteen years of age and who is authorized to seek employment in the~~
14 ~~United States.~~

15 ~~2. Not be charged with or not have been convicted of any felony,~~
16 ~~unless such applicant's civil rights have been restored pursuant to title 13,~~
17 ~~chapter 9.~~

18 ~~3. Not have been convicted of any crime involving fraud, physical~~
19 ~~violence, illegal sexual conduct or the illegal use or possession of a deadly~~
20 ~~weapon.~~

21 ~~4. Not have been convicted of any crime involving any section of title~~
22 ~~13, chapter 34 or 34.1 or theft if such conviction occurred within the five~~
23 ~~years immediately preceding the application for a security guard registration~~
24 ~~certificate.~~

25 ~~5. Not be a former registrant or licensee under this chapter whose~~
26 ~~registration certificate or license was revoked or suspended and not~~
27 ~~subsequently reinstated.~~

28 ~~6. Not have acted, or attempted to act, as a private security guard~~
29 ~~service or a security guard without a license if a license was required.~~

30 ~~7. Not be on probation, parole or community supervision for any crime~~
31 ~~nor have any outstanding arrest warrants.~~

32 ~~8. Not suffer from mental illness as defined in section 13-4501, and~~
33 ~~shall not have been adjudicated mentally incompetent or been involuntarily~~
34 ~~committed to a mental institution.~~

35 1. BE AT LEAST EIGHTEEN YEARS OF AGE.

36 2. BE A CITIZEN OR LEGAL RESIDENT OF THE UNITED STATES WHO IS
37 AUTHORIZED TO SEEK EMPLOYMENT IN THE UNITED STATES.

38 3. NOT HAVE BEEN CONVICTED OF ANY FELONY OR CURRENTLY BE UNDER
39 INDICTMENT FOR A FELONY.

40 4. WITHIN THE FIVE YEARS IMMEDIATELY PRECEDING THE APPLICATION FOR AN
41 AGENCY LICENSE, NOT HAVE BEEN CONVICTED OF ANY MISDEMEANOR ACT INVOLVING:

42 (a) PERSONAL VIOLENCE OR FORCE AGAINST ANOTHER PERSON OR THREATENING
43 TO COMMIT ANY ACT OF PERSONAL VIOLENCE OR FORCE AGAINST ANOTHER PERSON.

- 1 (b) MISCONDUCT INVOLVING A DEADLY WEAPON AS PROVIDED IN SECTION
2 13-3102.
- 3 (c) DISHONESTY OR FRAUD.
4 (d) ARSON.
5 (e) THEFT.
6 (f) DOMESTIC VIOLENCE.
7 (g) A VIOLATION OF TITLE 13, CHAPTER 34 OR 34.1 OR AN OFFENSE THAT HAS
8 THE SAME ELEMENTS AS AN OFFENSE LISTED IN TITLE 13, CHAPTER 34 OR 34.1.
9 (h) SEXUAL MISCONDUCT.
- 10 5. NOT BE ON PAROLE, ON COMMUNITY SUPERVISION, ON WORK FURLOUGH, ON
11 HOME ARREST, ON RELEASE ON ANY OTHER BASIS OR NAMED IN AN OUTSTANDING ARREST
12 WARRANT.
- 13 6. NOT BE SERVING A TERM OF PROBATION PURSUANT TO A CONVICTION FOR ANY
14 ACT OF PERSONAL VIOLENCE OR DOMESTIC VIOLENCE, AS DEFINED IN SECTION 13-3601,
15 OR AN OFFENSE THAT HAS THE SAME ELEMENTS AS AN OFFENSE LISTED IN SECTION
16 13-3601.
- 17 7. NOT BE ANY OF THE FOLLOWING:
18 (a) ADJUDICATED MENTALLY INCOMPETENT.
19 (b) FOUND TO CONSTITUTE A DANGER TO SELF OR OTHERS PURSUANT TO SECTION
20 36-540.
21 (c) SUFFERING FROM A CONGENITAL MENTAL CONDITION, MENTAL CONDITION
22 RESULTING FROM INJURY OR DISEASE OR DEVELOPMENTAL DISABILITIES AS DEFINED IN
23 SECTION 36-551.
- 24 8. NOT HAVE BEEN CONVICTED OF ACTING OR ATTEMPTING TO ACT AS AN
25 ASSOCIATE SECURITY GUARD OR ARMED SECURITY GUARD WITHOUT A LICENSE IF A
26 LICENSE WAS REQUIRED.
- 27 B. An applicant for an armed security guard registration certificate
28 ~~to be~~ issued pursuant to this article CHAPTER shall:
29 1. Meet the requirements of subsection A of this section.
30 2. Successfully complete all background screening and training
31 requirements ~~if the applicant was previously licensed as a provisional~~
32 ~~security guard.~~
- 33 3. Not be a prohibited possessor, as defined in section 13-3101 or
34 as described in 18 United States Code section 922.
35 4. Not have been discharged from the armed services of the United
36 States under other than honorable conditions.
37 5. Not have been convicted of any crime involving domestic violence,
38 as defined in section 13-3601.
- 39 Sec. 46. Section 32-2623, Arizona Revised Statutes, is amended to
40 read:
41 32-2623. Application for employee registration certificate
42 A. Every application for an original ~~or renewal~~ security guard ~~or~~
43 ~~armed security guard~~ EMPLOYEE registration certificate must set forth
44 verified information to assist the director DEPARTMENT in determining the

1 applicant's ability to meet the requirements set forth in this article and
2 contain the following CHAPTER, AS FOLLOWS:

3 1. The full name and address of the applicant.

4 ~~3. One classifiable set of fingerprints for the purpose of obtaining~~
5 ~~a state and national criminal records check pursuant to section 41-1750 and~~
6 ~~Public Law 92-544. The department may exchange fingerprint data with the~~
7 ~~federal bureau of investigation.~~

8 2. FINGERPRINTS OF THE APPLICANT OF A QUALITY AND NUMBER PRESCRIBED
9 BY THE DEPARTMENT FOR THE PURPOSE OF OBTAINING STATE AND FEDERAL CRIMINAL
10 RECORDS CHECKS PURSUANT TO SECTION 41-1750 AND PUBLIC LAW 92-544. THE
11 DEPARTMENT MAY EXCHANGE THIS FINGERPRINT DATA WITH THE FEDERAL BUREAU OF
12 INVESTIGATION. THE DEPARTMENT MAY CONDUCT PERIODIC STATE CRIMINAL HISTORY
13 CHECKS TO ENSURE CONTINUED QUALIFICATION UNDER THIS CHAPTER.

14 3. PHOTOGRAPHS OF THE APPLICANT OF A NUMBER AND TYPE PRESCRIBED BY THE
15 DEPARTMENT.

16 ~~2.~~ 4. Such other information, evidence, statements or documents as
17 may reasonably be required by the director DEPARTMENT.

18 B. An application for an original or renewal security guard or armed
19 security guard registration certificate shall be accompanied by:

20 1. The fees prescribed by PURSUANT TO section ~~32-2631~~ 32-2607.

21 2. A statement from the applicant's employer requesting and
22 authorizing armed security guard registration status for the applicant.

23 C. IF AN APPLICATION IS INCOMPLETE, THE DEPARTMENT SHALL NOTIFY THE
24 APPLICANT PURSUANT TO SECTION 41-1074. IF THE DEPARTMENT REQUIRES ADDITIONAL
25 INFORMATION TO MAKE A DECISION ON REGISTRATION, THE DEPARTMENT SHALL NOTIFY
26 THE APPLICANT PURSUANT TO SECTION 41-1075. THE DEPARTMENT SHALL SEND NOTICES
27 ISSUED UNDER THIS SUBSECTION TO THE APPLICANT'S LAST KNOWN RESIDENTIAL
28 ADDRESS AND SHALL INCLUDE SUFFICIENT INFORMATION TO ASSIST THE APPLICANT TO
29 COMPLETE THE APPLICATION PROCESS. THE APPLICANT HAS FORTY-FIVE CALENDAR DAYS
30 FROM THE DATE OF NOTIFICATION TO PROVIDE THE ADDITIONAL DOCUMENTATION. IF
31 THE APPLICANT FAILS TO RESPOND WITHIN FORTY-FIVE CALENDAR DAYS, THE
32 APPLICATION AND ANY CERTIFICATES ISSUED ARE AUTOMATICALLY SUSPENDED UNTIL THE
33 DEPARTMENT RECEIVES THE NECESSARY DOCUMENTATION TO APPROVE OR DENY THE
34 APPLICATION.

35 Sec. 47. Section 32-2624, Arizona Revised Statutes, is amended to
36 read:

37 32-2624. Issuance of security guard provisional certificate,
38 registration certificate and identification card

39 A. The director DEPARTMENT may issue a provisional certificate to an
40 applicant who, on initial application for a registration certificate,
41 complies with the application requirements set forth in section 32-2623 and
42 who, on the face of the application appears to meet the requirements of
43 section 32-2622. The provisional certificate is valid for no more than one
44 hundred eighty NINETY days but may be extended beyond its expiration date if

1 there is an abnormal delay in the completion of the investigation of the
2 applicant's qualifications. The director, his THE DIRECTOR'S designee, the
3 department or this state is not liable for any civil damages for the issuance
4 of a provisional certificate if the applicant has falsified his THE
5 application to conceal a prior criminal conviction.

6 B. ~~The director shall,~~ After investigation, THE DEPARTMENT SHALL issue
7 a security guard registration certificate or armed security guard
8 registration certificate under this article CHAPTER to any applicant who
9 satisfactorily complies with the provisions of this chapter. Each such
10 SECURITY GUARD registration certificate shall contain the name and address
11 of the registrant and the number of the certificate. ~~Such registration~~
12 ~~certificate AND shall be issued for three TWO years.~~

13 C. ~~Upon the issuance of such WHEN A SECURITY GUARD registration~~
14 ~~certificate IS ISSUED, an identification card as described in section 32-2633~~
15 ~~shall be issued to such THE registrant. , which shall be THE IDENTIFICATION~~
16 ~~CARD IS evidence that such THE person is a duly registered security~~
17 ~~guard. A uniformed armed security guard shall visibly display the~~
18 ~~identification card at all times during the course of employment. AN~~
19 ~~EMPLOYEE MUST OBTAIN AN ARMED SECURITY GUARD REGISTRATION CERTIFICATE AND~~
20 ~~IDENTIFICATION CARD FOR EACH SPONSORING AGENCY LICENSEE.~~

21 D. A security guard employee may not possess or carry a firearm while
22 on official duty unless the person EMPLOYEE is currently registered as an
23 armed security guard and is authorized by the person's employer to possess
24 or carry the firearm.

25 E. A security guard shall notify the director within fifteen calendar
26 days of any change in the security guard's name or residential address.

27 F. EFFECTIVE JANUARY 3, 2003, THE DEPARTMENT SHALL NOT ISSUE A
28 SECURITY GUARD PROVISIONAL CERTIFICATE.

29 Sec. 48. Section 32-2632, Arizona Revised Statutes, is amended to
30 read:

31 32-2632. Duty of licensee to provide training of security
32 guards; records; firearms training

33 A. An agency licensee shall provide for ~~the~~ EIGHT HOURS OF
34 PREASSIGNMENT training of all persons employed as security guards before the
35 ~~expiration of the provisional certificate~~ EMPLOYEE ACTS IN THE CAPACITY OF
36 A SECURITY GUARD. The required training curriculum shall be established by
37 the director DEPARTMENT.

38 B. ALL RENEWAL APPLICANTS SHALL COMPLETE EIGHT HOURS OF REFRESHER
39 TRAINING WITHIN NINETY DAYS BEFORE SUBMITTING A RENEWAL APPLICATION. THE
40 DEPARTMENT SHALL ESTABLISH THE REQUIRED TRAINING CURRICULUM.

41 ~~B.~~ C. Every agency licensee shall keep an accurate and current record
42 of pertinent information on all persons employed as security guards, which
43 shall be made available to the director DEPARTMENT in the event of an alleged
44 violation of this chapter.

1 ~~C.~~ D. At least sixteen hours of INITIAL firearms instruction AND
2 EIGHT HOURS ANNUAL CONTINUING FIREARMS INSTRUCTION in the use of the weapon
3 used by the security guard is required if a firearm is used within the scope
4 of employment. All firearms training and qualifications shall be conducted
5 by a firearms instructor certified by the director DEPARTMENT and shall be
6 completed before the security guard is assigned to any position requiring the
7 carrying of a firearm. The licensee shall provide a monthly report to the
8 department identifying all armed security guards employed by the agency.

9 ~~D.~~ E. The director DEPARTMENT shall adopt rules for both of the
10 following:

11 1. Certification of firearms instructors who provide the firearms
12 training required by subsection ~~C.~~ D.

13 2. A firearms training curriculum.

14 Sec. 49. Section 32-2633, Arizona Revised Statutes, is amended to
15 read:

16 32-2633. Identification cards

17 Each holder of a license or registration certificate issued under the
18 provisions of this chapter shall obtain a standard identification card, to
19 be THAT IS issued by the director DEPARTMENT. ~~The card shall be of such~~
20 DEPARTMENT SHALL DETERMINE THE size and design ~~as may be determined by the~~
21 director OF THE IDENTIFICATION CARD and THE CARD shall contain the following
22 information:

23 1. Name of employee.

24 2. Date of expiration.

25 3. Photograph of employee.

26 ~~4. Fingerprint of employee.~~

27 ~~5.~~ 4. Physical description of employee.

28 ~~6.~~ 5. Employee's license REGISTRATION number.

29 ~~7.~~ 6. If the employee is an armed security guard, information
30 identifying the employee as an armed security guard and the name of the
31 authorizing employer.

32 ~~8.~~ 7. Such other information as may be determined necessary by the
33 director.

34 Sec. 50. Section 32-2635, Arizona Revised Statutes, is amended to
35 read:

36 32-2635. Uniform and insignia

37 A. The particular type of uniform and insignia for a security guard
38 or an armed security guard shall be subject to approval ACCORDING TO RULES
39 ADOPTED by the director DEPARTMENT and shall be such that it will not deceive
40 or confuse the public or be identical with that of any law enforcement
41 officer of the federal government, the THIS state or any political
42 subdivision thereof OF THIS STATE. Shoulder identification patches shall be
43 worn on all uniform jackets, coats and shirts and shall include the name of

1 the agency licensee. Shoulder identification patches or emblems shall not
2 be less than two inches by three inches in size.

3 B. No badge or shield shall be worn or carried by a security guard,
4 an armed security guard or an employee or registrant of any patrol service
5 agency or private security guard agency, unless previously approved by the
6 director.

7 Sec. 51. Section 32-2636, Arizona Revised Statutes, is amended to
8 read:

9 32-2636. Grounds for disciplinary action; emergency summary
10 suspension; judicial review

11 A. ~~The director may suspend or revoke a provisional license or~~
12 ~~registration certificate issued pursuant to this chapter for one or more of~~
13 ~~the following acts committed by~~ The FOLLOWING CONSTITUTE GROUNDS FOR
14 DISCIPLINARY ACTION AGAINST A licensee or registrant, or if the licensee is
15 other than an individual, by AGAINST its qualifying party or any of its
16 resident officers ASSOCIATES, directors, partners or managers:

17 1. Using any letterhead, advertisement or other printed matter to
18 represent, or in any other manner representing, that the licensee,
19 registrant, qualifying party or resident officer ASSOCIATE, director, partner
20 or manager is an instrumentality of the federal government, or any state or
21 political subdivision thereof OF A STATE.

22 2. Using a name THAT IS different from that under which the licensee,
23 registrant, qualifying party or resident officer ASSOCIATE, director, partner
24 or manager is currently licensed or registered for any advertisement,
25 solicitation or contract to secure business under this chapter UNLESS THE
26 NAME IS AN AUTHORIZED FICTITIOUS NAME.

27 3. Falsifying fingerprints, photographs or other documents while
28 operating pursuant to this chapter, ~~or knowingly making any statement which~~
29 ~~is false in the application for a license, provisional certificate or~~
30 ~~registration certificate or any renewal of a license, provisional certificate~~
31 ~~or registration certificate.~~

32 4. ~~Failure to comply with section 32-2612, 32-2615, 32-2622, 32-2625~~
33 ~~or 32-2632.~~

34 5. 4. Impersonating, or permitting or aiding and abetting an employee
35 to impersonate, a law enforcement officer or employee of the United States
36 or any state or political subdivision of a state.

37 6. 5. Knowingly violating, or advising, encouraging, or assisting
38 in the violation of, any STATUTE, court order, WARRANT or injunction in the
39 course of business as a licensee or registrant UNDER THIS CHAPTER.

40 7. 6. Committing or knowingly permitting any employee to commit any
41 violation of this chapter or rules adopted pursuant to this chapter.

42 8. 7. Committing an act of misconduct involving a weapon pursuant to
43 section 13-3102.

44 8. CONVICTION OF A FELONY.



1 9. CONVICTION OF ANY ACT OF PERSONAL VIOLENCE OR FORCE AGAINST ANY
2 PERSON OR CONVICTION OF THREATENING TO COMMIT ANY ACT OF PERSONAL VIOLENCE
3 OR FORCE AGAINST ANY PERSON.

4 10. FRAUD OR WILFUL MISREPRESENTATION IN APPLYING FOR AN ORIGINAL
5 LICENSE OR REGISTRATION OR THE RENEWAL OF AN EXISTING LICENSE OR
6 REGISTRATION.

7 11. SOLICITING BUSINESS FOR AN ATTORNEY IN RETURN FOR COMPENSATION.

8 12. CONVICTION OF ANY ACT CONSTITUTING FRAUD.

9 13. BEING PLACED ON PROBATION, PAROLE OR COMMUNITY SUPERVISION FOR ANY
10 CRIME OR BEING NAMED IN AN OUTSTANDING ARREST WARRANT.

11 14. WILFULLY FAILING OR REFUSING TO RENDER CLIENT SERVICES OR A REPORT
12 AS AGREED BETWEEN THE PARTIES AND FOR WHICH COMPENSATION HAS BEEN PAID OR
13 TENDERED PURSUANT TO THE AGREEMENT OF THE PARTIES.

14 15. THE UNAUTHORIZED RELEASE OF INFORMATION ACQUIRED ON BEHALF OF A
15 CLIENT BY A LICENSEE, ASSOCIATE OR REGISTRANT AS A RESULT OF ACTIVITIES
16 REGULATED UNDER THIS CHAPTER.

17 16. FAILING OR REFUSING TO COOPERATE WITH OR REFUSING ACCESS TO AN
18 AUTHORIZED REPRESENTATIVE OF THE DEPARTMENT ENGAGED IN AN OFFICIAL
19 INVESTIGATION PURSUANT TO THIS CHAPTER.

20 17. EMPLOYING OR CONTRACTING WITH ANY UNREGISTERED OR IMPROPERLY
21 REGISTERED PERSON OR UNLICENSED OR IMPROPERLY LICENSED PERSON OR AGENCY TO
22 CONDUCT ACTIVITIES REGULATED UNDER THIS CHAPTER IF THE LICENSURE OR
23 REGISTRATION STATUS WAS KNOWN OR COULD HAVE BEEN ASCERTAINED BY REASONABLE
24 INQUIRY.

25 18. PERMITTING, AUTHORIZING, AIDING OR IN ANY WAY ASSISTING A
26 REGISTERED EMPLOYEE TO CONDUCT SERVICES AS DESCRIBED IN THIS CHAPTER ON AN
27 INDEPENDENT CONTRACTOR BASIS AND NOT UNDER THE AUTHORITY OF THE LICENSED
28 AGENCY.

29 19. FAILING TO MAINTAIN IN FULL FORCE AND EFFECT WORKER'S COMPENSATION
30 INSURANCE, IF APPLICABLE.

31 20. CONDUCTING SECURITY GUARD SERVICES REGULATED BY THIS CHAPTER ON AN
32 EXPIRED, REVOKED OR SUSPENDED LICENSE OR REGISTRATION.

33 21. ACCEPTING EMPLOYMENT, CONTRACTING OR IN ANY WAY ENGAGING IN
34 EMPLOYMENT THAT HAS AN ADVERSE IMPACT ON SECURITY GUARD SERVICES BEING
35 CONDUCTED ON BEHALF OF CLIENTS.

36 22. ADVERTISING IN A FALSE, DECEPTIVE OR MISLEADING MANNER.

37 23. FAILING TO DISPLAY ON REQUEST THE IDENTIFICATION CARD ISSUED BY THE
38 DEPARTMENT PURSUANT TO SECTION 32-2624.

39 24. COMMITTING ANY ACT OF UNPROFESSIONAL CONDUCT.

40 B. An officer, director, associate, partner, qualifying party,
41 employee or manager of the holder of an agency license issued pursuant to
42 this chapter who is found in violation of this chapter shall be denied the
43 privilege of operating under such a license. The remaining officers,

1 directors, associates, partners, employees or managers of such licensee who
2 are innocent of such violations may carry on the business.

3 C. Any person aggrieved by a decision of the director may request a
4 hearing pursuant to title 41, chapter 6, article 10. Except as provided in
5 section 41-1092.08, subsection H, final decisions of the director are subject
6 to judicial review pursuant to title 12, chapter 7, article 6.

7 D. On completion of an investigation, the director:

8 1. May dismiss the case.

9 2. May take emergency action.

10 3. May issue a letter of concern, if applicable.

11 4. May forward the findings to the ~~private investigator and security~~
12 ~~guard hearing board~~ for review and possible disciplinary action.

13 5. Shall place all records, evidence, findings and conclusions and any
14 other information pertinent to the investigation in the public records
15 section of the file maintained at the department.

16 E. A letter of concern is a public document and may be used in future
17 disciplinary actions against a licensee OR REGISTRANT.

18 F. If the department finds, based on its investigation, that the
19 public health, safety or welfare requires emergency action, the director may
20 order a summary suspension of a license or registration pending proceedings
21 for revocation or other action. If the director issues this order, the
22 department shall serve the licensee or registrant with a written notice of
23 complaint and formal hearing, setting forth the charges made against the
24 licensee or registrant and the licensee's or registrant's right to a formal
25 hearing before the board ~~within sixty days~~ PURSUANT TO TITLE 41, CHAPTER 6,
26 ARTICLE 10.

27 G. If the department finds, based on its investigation, that a
28 violation of subsection A of this section occurred, a hearing by the ~~private~~
29 ~~investigator and security guard hearing board~~ may be scheduled pursuant to
30 title 41, chapter 6, article 10. Notice of the hearing shall be sent by
31 certified mail, return receipt requested, to the licensee's or registrant's
32 last known address in the department's files.

33 H. Based on information the ~~private investigator and security guard~~
34 ~~hearing board~~ receives during a hearing pursuant to title 41, chapter 6,
35 article 10, it may recommend to the director that the director:

36 1. Dismiss the complaint if the board believes it is without merit.

37 2. Fix a period and terms of probation best adapted to protect the
38 public health and safety and to rehabilitate or educate the licensee or
39 registrant.

40 3. Place the license or registration on suspension for a period of not
41 more than twelve months.

42 4. Revoke the license or registration.

43 I. The director shall review the records of a finding by the board
44 involving a disciplinary action and may affirm, reverse, adopt, modify,

1 supplement, amend or reject the recommendation of the board. On a finding
2 by the board and review and concurrence by the director that a licensee or
3 registrant committed a violation of subsection A of this section, the
4 probation, suspension or revocation applies to all licenses or registrations
5 held by a licensee or registrant under this chapter.

6 ~~J. A person may appeal a decision made pursuant to this section to the~~
7 ~~superior court pursuant to title 41, chapter 6, article 10.~~

8 Sec. 52. Transfer and renumber

9 A. Section 32-2638, Arizona Revised Statutes, is renumbered as section
10 32-2642.

11 B. Sections 32-2604, 32-2615 and 32-2625, Arizona Revised Statutes,
12 are transferred and renumbered for placement in title 32, chapter 26, article
13 4, Arizona Revised Statutes, as new section 32-2638 and sections 32-2640 and
14 32-2641, respectively.

15 Sec. 53. Title 32, chapter 26, article 4, Arizona Revised Statutes,
16 is amended by adding section 32-2639, to read:

17 32-2639. Authority to investigate complaint; filing and
18 response to complaints; retention of records

19 A. THE DEPARTMENT MAY INVESTIGATE ANY LICENSEE, REGISTRANT, ASSOCIATE,
20 EMPLOYEE OR PERSON IF THAT LICENSEE, REGISTRANT, ASSOCIATE, EMPLOYEE OR
21 PERSON ADVERTISES AS PROVIDING OR PERFORMS SERVICES THAT REQUIRE LICENSURE
22 OR REGISTRATION UNDER THIS CHAPTER.

23 B. THE DEPARTMENT SHALL INVESTIGATE WHETHER A LICENSEE OR REGISTRANT
24 IS ENGAGED IN ACTIVITIES THAT DO NOT COMPLY WITH OR ARE PROHIBITED BY THIS
25 CHAPTER.

26 C. THE DEPARTMENT SHALL ENFORCE THIS CHAPTER WITHOUT REGARD TO THE
27 PLACE OR LOCATION IN WHICH A VIOLATION MAY HAVE OCCURRED.

28 D. ON THE COMPLAINT OF ANY PERSON OR ON ITS OWN INITIATIVE, THE
29 DEPARTMENT MAY INVESTIGATE ANY SUSPECTED VIOLATION OF THIS CHAPTER OR THE
30 BUSINESS AND BUSINESS METHODS OF ANY LICENSEE, REGISTRANT OR EMPLOYEE OF A
31 LICENSEE OR APPLICANT FOR LICENSURE OR REGISTRATION UNDER THIS CHAPTER.

32 E. A COMPLAINT FILED AGAINST ANY LICENSEE, ASSOCIATE, REGISTRANT OR
33 EMPLOYEE OF A LICENSEE MUST BE IN WRITING, ON A FORM PRESCRIBED BY THE
34 DEPARTMENT AND FILED WITH THE DEPARTMENT.

35 F. IN ANY INVESTIGATION BY THE DEPARTMENT, EACH LICENSEE, ASSOCIATE,
36 REGISTRANT, APPLICANT, AGENCY OR EMPLOYEE, ON REQUEST OF THE DEPARTMENT,
37 SHALL PROVIDE RECORDS AND TRUTHFULLY RESPOND TO QUESTIONS CONCERNING
38 ACTIVITIES REGULATED UNDER THIS CHAPTER. THE LICENSEE SHALL MAINTAIN THESE
39 RECORDS FOR FIVE YEARS AT THE LICENSEE'S PRINCIPAL PLACE OF BUSINESS OR AT
40 ANOTHER LOCATION FOR A PERSON WHOSE LICENSE HAS BEEN TERMINATED, CANCELED OR
41 REVOKED. AT THE DEPARTMENT'S REQUEST, THE LICENSEE SHALL MAKE THE RECORDS
42 AVAILABLE IMMEDIATELY TO THE DEPARTMENT DURING NORMAL BUSINESS HOURS OR AT
43 ANOTHER TIME ACCEPTABLE TO THE PARTIES, UNLESS THE DEPARTMENT GRANTS AN

1 EXTENSION. THE LICENSEE SHALL PROVIDE COPIES OF ANY RECORDS REQUESTED BY THE
2 DEPARTMENT.

3 Sec. 54. Section 32-2640, Arizona Revised Statutes, as transferred and
4 renumbered by this act, is amended to read:

5 32-2640. Grounds for refusal to issue or renew an agency
6 license; judicial review

7 A. The department may deny THE ISSUANCE OR RENEWAL OF an agency
8 license if the individual applicant, or if the applicant is other than an
9 individual, any qualifying party:

10 1. Does not meet the requirements prescribed in section 32-2612.

11 2. Has committed any act ~~which~~ THAT, if committed by a licensee, would
12 be grounds for the suspension or revocation of a license pursuant to this
13 chapter.

14 3. Has been refused a license under this chapter, or had such a
15 license revoked OR HAS BEEN AN ASSOCIATE OF ANY APPLICANT OR LICENSEE WHO HAS
16 BEEN REFUSED A LICENSE UNDER THIS CHAPTER OR WHO HAS HAD A LICENSE REVOKED.

17 4. WHILE NOT LICENSED UNDER THIS CHAPTER, HAS COMMITTED OR AIDED AND
18 ABETTED THE COMMISSION OF ANY ACT FOR WHICH A LICENSE IS REQUIRED BY THIS
19 CHAPTER OR has acted, or attempted to act, as a private security guard
20 service or a security guard ~~without a license~~.

21 5. Has knowingly made any FALSE statement ~~which is false~~ in his THE
22 application.

23 6. FAILED TO PROVIDE ADEQUATE VERIFICATION OF REQUIRED EXPERIENCE.

24 B. The denial of the issuance of an agency license OR IDENTIFICATION
25 CARD under this ~~article~~ CHAPTER shall be in writing and shall describe the
26 basis for the denial. The denial NOTICE shall inform the applicant that if
27 the applicant desires a hearing by the ~~private investigator and security~~
28 ~~guard hearing board~~ to contest the denial, the applicant shall submit his THE
29 request in writing to the director DEPARTMENT within thirty CALENDAR days of
30 AFTER service of the denial. Service is complete on the mailing of the
31 denial to the address listed on the application.

32 C. EXCEPT AS PROVIDED IN SECTION 41-1092.08, SUBSECTION H, FINAL
33 DECISIONS OF THE DIRECTOR ARE SUBJECT TO JUDICIAL REVIEW PURSUANT TO TITLE
34 12, CHAPTER 7, ARTICLE 6.

35 Sec. 55. Section 32-2641, Arizona Revised Statutes, as transferred and
36 renumbered by this act, is amended to read:

37 32-2641. Grounds for refusal to issue a security guard
38 identification card, provisional certificate or
39 registration certificate; judicial review

40 A. The department may deny THE ISSUANCE OF AN IDENTIFICATION CARD TO
41 AN APPLICANT FOR a security guard provisional certificate, a security guard
42 registration certificate or an armed security guard registration certificate
43 if the applicant:

1 1. Does not meet the requirements prescribed in section 32-2622 for
2 the appropriate type of certificate.

3 2. Has committed any act which would be grounds for the suspension or
4 revocation of a security guard registration pursuant to this chapter.

5 3. Has knowingly made any statement which is false in his THE
6 application.

7 B. If the director determines that an applicant's criminal history
8 contains open arrest information, the director shall:

9 1. Issue a notice to the applicant allowing forty-five days for the
10 applicant to provide documentation concerning the disposition of the arrest
11 or arrests.

12 2. Send to the applicant at the applicant's last known residential
13 address sufficient information to assist the applicant in complying with the
14 director's request under paragraph 1 of this subsection.

15 ~~C. If the applicant fails to respond within forty-five days to the~~
16 ~~director's request under subsection B, paragraph 1, the applicant's~~
17 ~~certificate is automatically suspended until the department receives the~~
18 ~~necessary documentation to approve or deny the application.~~

19 ~~D. C. The denial of the issuance of a provisional or registration~~
20 ~~certificate under this article shall be in writing and shall describe the~~
21 ~~basis for the denial. The denial NOTICE shall inform the applicant that if~~
22 ~~the applicant desires a hearing by the private investigator and security~~
23 ~~guard hearing board to contest the denial, the applicant shall submit his~~
24 ~~THE request in writing to the director DEPARTMENT within thirty CALENDAR days~~
25 ~~of AFTER service of the denial NOTICE. Service is complete on the mailing~~
26 ~~of the denial to the address listed on the application.~~

27 D. EXCEPT AS PROVIDED IN SECTION 41-1092.08, SUBSECTION H, FINAL
28 DECISIONS OF THE DIRECTOR ARE SUBJECT TO JUDICIAL REVIEW PURSUANT TO TITLE
29 12, CHAPTER 7, ARTICLE 6.

30 Sec. 56. Section 32-2642, Arizona Revised Statutes, as renumbered by
31 this act, is amended to read:

32 32-2642. Notice of arrest

33 Within forty-eight hours after being arrested, a person licensed or
34 registered pursuant to this chapter SECURITY GUARD OR AN ARMED SECURITY GUARD
35 shall notify the person's employer and the department of the arrest. Within
36 twenty-four hours after receiving notice of the person's arrest, the employer
37 shall notify the department of the arrest.

38 Sec. 57. Requirements for enactment; two-thirds vote

39 Pursuant to article IX, section 22, Constitution of Arizona, this act
40 is effective only on the affirmative vote of at least two-thirds of the
41 members of each house of the legislature and is effective immediately on the
42 signature of the governor or, if the governor vetoes this act, on the
43 subsequent affirmative vote of at least three-fourths of the members of each
44 house of the legislature.

APPROVED BY THE GOVERNOR MAY 21, 2002.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 22, 2002.

Passed the House April 8, 2002,

Passed the Senate May 2, 2002

by the following vote: 41 Ayes,

by the following vote: 28 Ayes,

8 Nays, 11 Not Voting
Article IX, Section 22

0 Nays, 2 Not Voting
with Art. IX, Sec. 22

Jake Flake
Speaker of the House
Pro Tempore

Kandice Amant
President of the Senate

Norman L. Moore
Chief Clerk of the House

Charmaine Bullock
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this
_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of _____,
_____, 20____,

at _____ o'clock _____ M.

Governor of Arizona

H.B. 2540

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

May 15, 2002,

by the following vote: 45 Ayes,

10 Nays, 5 Not Voting
Article II, Section 22

[Signature]
Speaker of the House

Norman L. Moore
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

15 day of May, 2002,

at 3:00 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 2nd day of

May, 2002,

at 10:16 o'clock A. M.

[Signature]
Governor of Arizona

H.B. 2540

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 22 day of May, 2002

at 12:13 o'clock P. M.

[Signature]
Secretary of State