

Governor's Office of Management and Budget

Alexis Sturm

Director



IL Regulatory Sunset Act Review of

The Private Detective, Private Alarm, Private
Security, Fingerprint Vendor, and Locksmith
Act of 2004

April 14, 2023

**To the Honorable JB Pritzker
Governor of Illinois**

Governor Pritzker:

The Governor's Office of Management and Budget (GOMB), in compliance with the requirements set forth in the Illinois Regulatory Sunset Act (5 ILCS 80), has conducted a review of the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 (225 ILCS 447), which is scheduled to sunset on January 1, 2024. As a result of this review, GOMB makes the following recommendation:

GOMB recommends that the sunset of the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 (225 ILCS 447) should be extended.

GOMB's examination of this Act was conducted considering the nine factors set out in Section 6 of the Illinois Regulatory Sunset Act. The following report details the criteria and data utilized to come to the above recommendation.

Very sincerely and respectfully,

Alexis Sturm
Director
Governor's Office of Management and Budget

The Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act (Act) addresses the security industry and provides licensure for private detectives, private detective agencies, private alarm contractors, private alarm agencies, private security contractors, private security agencies, canine handlers, fingerprint vendors, fingerprint vendor agencies, locksmiths, and locksmith agencies and related registrations such as Permanent Employee Registration Card and Firearm Control Card holders.

Private Detectives

Lawyers and law firms often hire private detectives to gather information for litigation. Unregulated, the methods used by private detectives could violate the welfare, safety, and private rights of the surveilled. While attorneys are generally held accountable for third parties under supervision, private detectives conceal their methods from their subjects as a matter of tradecraft. This necessitates the high ethical standards to which the profession is held. One concern is that someone could receive and use the findings of a private detective without a full accounting of how they obtained these findings. Private detectives may not wiretap a phone, record a private conversation, or trespass on private property. Licensing laws provide constructive notice.

Private Alarm Contractors

Private alarm contractors ensure that an alarm is properly installed and functional. A defective alarm could endanger public safety by missing smoke or carbon monoxide, or it could be a public nuisance if it goes off unnecessarily.

Private Security Contractors

Private security contractors are not sworn officers, but they contract with personnel who often carry firearms. It is important that these professionals have the appropriate training to exercise security functions as a private citizen. Licensees must be a minimum of 21 years of age, with no felony convictions in the last ten years. They may not currently be dealing with alcohol or substance use disorder. They must also meet an experience requirement. These provisions uphold public safety and welfare.

Canine Handlers

Canine handlers use trained dogs to protect persons and property or to conduct investigations, sometimes on behalf of federal, state, or local governments. Public welfare and safety are served by the extensive training requirements under the act, which include 100 hours of basic training in safe handling procedures, obedience techniques, search patterns, and the legal guidelines affecting canine odor detection operations.

Fingerprint Vendors

Fingerprint vendors are often an essential part of a criminal background check. Their accuracy could prevent a violent felon from obtaining a firearm. Their skill could prevent a lawful applicant from having their fingerprints confused with someone else.

Locksmiths

Locksmiths are responsible for servicing, installing, and rekeying locks. As such, they have access to the points of entry into personal and professional spaces. To become a licensed locksmith in Illinois, an applicant must pass a criminal background check, including fingerprinting. Without this requirement, the profession could be easily exploited by burglars or other persons who unlawfully break and enter.

Separately, locksmiths are sometimes called in emergency to provide access to a home (e.g., a property manager needs to enter a flooded unit when the residents are away). Ensuring the competency of the locksmith is important in a time-sensitive situation.

Criteria (1) "The extent to which the agency or program has permitted qualified applicants to serve the public."

As of July 2021, there were 2,583 total licensees under the act, excluding canine handlers. Below are the numbers of new licenses issued in the previous 5 years:

Table 1: Total Number of Licensees FY17 - Present

| License Type | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------|------|------|------|------|------|
| Private Detective | 937 | 960 | 987 | 1001 | 868 |
| Alarm Contractor | 710 | 742 | 775 | 800 | 710 |
| Fingerprint Vendor | 352 | 442 | 545 | 670 | 459 |
| Security Contractor | 526 | 554 | 584 | 602 | 546 |
| Locksmith | 353 | 358 | 366 | 369 | 320 |

The following licensure fee structure pertains to these professions:

Table 2: Licensure Fee Structure

| Type | Fee Amount |
|--|--|
| Application for license | |
| - Private Detective, Security Contractor, Alarm Contractor, or Locksmith | \$500.00 |
| - Fingerprint Vendor | \$150.00 |
| - Agency | \$500.00 |
| - Branch Office | \$200.00 |
| Renewal Fee | |
| - Private Detective, Private Alarm Contractor, Private Security Contractor, or Locksmith | \$150.00/ year |
| Restoration after Lapse | \$50.00 fee, plus all lapsed renewal fees |
| Exam Reviewed and Verified | \$20.00, plus any fee charged by the testing service |
| Approval for Firearm Training Program | \$100.00 |

Education and Entry:

Every person employed as a registered employee of a private detective, private alarm or private security agency certified under the act or as an armed employee of a proprietary security force must complete a 20-hour basic training course within 30 days after commencing employment. Registered employees of a private security contractor agency who provide guarding or other private security functions are subject to additional training requirements (68 Ill. Adm. Code 1240.505).

Private Detectives

To qualify for licensure, private detectives must have a minimum of three years of experience (in the previous five years preceding application) working full-time for a licensed private detective agency as a registered private detective employee (225 ILCS 447/15-10).

An applicant who has a baccalaureate degree, or higher, in law enforcement or a related field or a business degree from an accredited college or university shall be given credit for two of the three years of the required experience. An applicant who has an associate degree in law enforcement or in a related field or in business from an accredited college or university shall be given credit for one of the three years of the required experience. An applicant who has completed a non-degree military training program in law enforcement or a related field shall be given credit for one of the three years of the required experience if the Board and the Department determine that such training is substantially equivalent to that received in an associate degree program (225 ILCS 447/15-10).

The City Colleges of Chicago also offers basic and advanced certificates in private police services.

Private Alarm Contractors

To qualify for licensure, private alarm contractors must have a minimum of three years of experience (in the previous five years preceding application) working as a full-time manager for a licensed private alarm contractor agency or for the government. (225 ILCS 447/20-10).

An applicant who has received a four-year degree or higher in electrical engineering or a related field from a program approved by the Board or a business degree from an accredited college or university shall be given credit for two years of the required experience. An applicant who has successfully completed a national certification program approved by the Board shall be given credit for one year of the required experience (225 ILCS 447/20-10).

Private Security Contractors

To qualify for licensure, private security contractors must have a minimum of three years of experience (in the previous five years preceding application) working as a full-time manager for a licensed private security contractor or agency or as a manager of a proprietary security force of 30 or more persons. Employment in the military police or a related security unit in the US armed forces or in a law enforcement agency will also count towards the experience requirement (225 ILCS 447/25-10).

An applicant who has a baccalaureate degree or higher in police science or a related field or a business degree from an accredited college or university shall be given credit for two of the three years of the required experience. An applicant who has completed a non-degree military training program in police science or a related field shall be given credit for one of the three years of the required experience if the Board and the Department determine that such training is substantially equivalent to that received in an associate degree program. An applicant who has an associate degree in police science or in a related field or in business from an accredited college or university shall be given credit for one of the three years of the required experience (225 ILCS 447/25-10).

Canine Handlers

The Illinois State Academy Canine Training Unit offers two 10-week canine training courses a year to both Illinois State Police troopers and local and sheriff teams.

Fingerprint Vendors

To qualify for a license as a fingerprint vendor, applicants must complete a training course approved or offered by the Illinois State Police.

Locksmiths

Registered employees of a licensed locksmith agency must complete at least 20 hours of training provided by a qualified instructor within 30 days of their employment. The content of the training is prescribed by rule (225 ILCS 447/30-20).

Examination:Private Detectives

To qualify for the professional exam, which requires a passing grade of 70 or above, applicants must meet experience and education requirements (68 Ill. Adm. Code 1240.10). Successful scores are valid for three years, after which an applicant would be required to file a new application and retake the exam.

Private Alarm Contractors

To pass the exam, applicants must receive a score of 70 or above (68 Ill. Adm. Code 1240.100). Successful scores are valid for three years, after which an applicant would be required to file a new application and retake the exam.

Private Security Contractors

To qualify for the exam, applicants must meet experience requirements (68 Ill. Adm. Code 1240.200). The passing grade on the examination is 70 or above. Successful scores are valid for three years, after which an applicant would be required to file a new application and retake the exam.

Canine Handlers

Upon completion of training, a canine handler must successfully complete a written and practical examination. Passage of the written examination requires a minimum score of 70 percent. Passage of the field examination is determined by the canine training facility in accordance with national standards set forth in the Illinois Administrative Code.

Fingerprint Vendors

Every person employed as a registered employee of a fingerprint vendor agency must complete a course of basic training provided by the employing agency within 30 days of beginning employment. There is no required exam to enter the profession (68 Ill. Adm. Code 1240.630).

Locksmiths

To pass the exam, applicants must score 70 or above (68 Ill. Adm. Code 1240.300). Successful scores are valid for three years, after which an applicant would be required to file a new application and retake the exam.

Continuing Education:

The Department may adopt rules for continuing education after considering recommendations of the Board (225 ILCS 447/10-27).

Private Detectives

All private detectives must complete at least eight hours of annual training on a topic of their choosing, provided that the subject matter is reasonably related to their private detective practice. The annual training may be completed utilizing any combination of hours obtained in a classroom or seminar setting or online, subject to Department rules (225 ILCS 447/15-25).

Private Alarm Contractors, Fingerprint Vendors, Locksmiths

There are no continuing education requirements for licensed locksmiths, fingerprint vendors, and private alarm contractors.

Private Security Contractors

All private security contractors must complete a minimum of four hours of annual training on a topic of their choosing, provided that the subject matter is reasonably related to their private security contractor practice. The annual training may be completed utilizing any combination of hours obtained in a classroom or seminar setting or online, subject to Department rules (225 ILCS 447/25-20).

Canine Handlers

Every canine handler (and their canine) is required to recertify annually according to the United States Police Canine Association, the North American Police Work Dog Association certification standards or the certification standards of another nationally recognized canine association.

Other States:

Private Detectives

The Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 uses the term 'private detective' in lieu of 'private investigator.' However, many states reserve the term 'detective' for employees of law enforcement agencies. In these states, 'private investigator' is the preferred term.

Most states require private investigators to be licensed at the state level. States with local ordinances but no statewide licensing systems include Alaska, Idaho, Mississippi, South Dakota, and Wyoming. Mississippi still requires private investigators to hold a business license in the county or municipality in which they reside.

Generally, states which license private investigators require them to be at least 21 years of age with a high school diploma and U.S. residency or citizenship. Most states prohibit certain felons with convictions of moral turpitude from becoming private investigators.

Some states have also entered into reciprocity agreements to allow investigators to work across state lines, including California, Louisiana, Virginia, North Carolina, Oklahoma, Florida, Tennessee, and Georgia.

Private Alarm Contractors

According to the Institute for Justice, "Thirty-seven states license security alarm installers. On average, these laws require \$487 in fees, more than two years (836 days) of education and experience, and about two exams."

Private Security Contractors

Most states require a background check, a private security contractor license, and annual courses.

Canine Handlers

N/A

Fingerprint Vendors

N/A

Locksmiths

At least thirteen states license locksmiths, including Alabama, California, Connecticut, Illinois, Louisiana, Maryland, Nevada, New Jersey, North Carolina, Oklahoma, Oregon, Texas, and Virginia. Nebraska and Tennessee repealed their locksmith licensing laws in 2021. Several local jurisdictions have their own licensing statutes, including New York City, New York, Miami and Florida.

Licensing fees range from \$5 in Nebraska to \$338 in North Carolina.

Criteria (2) "The extent to which the trade, business, profession, occupation, or industry being regulated is being administered in a nondiscriminatory manner both in terms of employment and rendering of services."

Nationwide, one organization which analyzed a database of 30 million profiles estimated that nearly 27 percent of

private investigators are women and 73 percent are men. Over 61 percent were white; 18.7 percent were Hispanic or Latinx; and 12.4 percent were Black. In 2021, female private investigators earned an estimated 91 percent of what males earned.

The Illinois Department of Financial and Professional Regulation (IDFPR) does not collect information on the gender, race, or ethnicity of licensees. IDFPR has received no complaints citing discrimination in the licensing process, and no external sources of have published any information regarding discriminatory practices in licensure. Further, IDFPR has not received any complaints alleging discrimination by the licensees covered under this act.

Criteria (3) “The extent to which the regulatory agency or program has operated in the public interest, and the extent to which its operation has been impeded or enhanced by existing statutes, procedures, and practices of any other department of state government, and any other circumstances, including budgetary resources, and personnel matters.”

IDFPR is tasked with processing applications for licenses and renewal licenses for over 1.2 million professionals practicing in the State of Illinois. The Department has adopted internal policies, sought legislative and administrative rule changes, and developed enhanced licensing processes to maintain efficiency and efficacy. Implementation of online, paperless licensing is one example of such a policy that has proved to be successful. While some procedures, such as the disciplinary process for licensees, can be lengthy, this is done to ensure thoroughness and proper due process for complaints against regulated professionals.

Criteria (4) “The extent to which the agency running the program has recommended statutory changes to the General Assembly that would benefit the public as opposed to the persons it regulates.”

N/A

Criteria (5) “The extent to which the agency or program has required the persons it regulates to report to it concerning the impact of rules and decisions of the agency or the impact of the program on the public regarding improved service, economy of service, and availability of service.”

IDFPR promulgates rules through the process established by the Joint Committee on Administrative Rules (JCAR), the administrative body responsible for approving rule proposals by state agencies. Rules may be shared with the professional’s boards, associations, and industry prior to being filed. The rulemaking process includes a public comment period after which the Department responds to the comments received during that period. This process allows for input from industry and community stakeholders impacted by the Department’s proposed changes. The Department works with lawmakers, community stakeholders, and members of industry to ensure that regulations effectively protect Illinois citizens.

Additionally, the Department works with lawmakers, community stakeholders, and members of industry to ensure that regulations effectively protect Illinois citizens. While this is not codified into statute, such informal approaches have been shown to strengthen the relationships between various stakeholders, including regulators, legislators, industry, and consumer advocates.¹

Criteria (6) “The extent to which persons regulated by the agency or under the program have been required to assess the problems in their industry that affect the public.”

N/A

¹ https://documents.ncsl.org/wwwncsl/Labor/NCSL_DOL_Report_05_web_REVISED.pdf

Criteria (7) “The extent to which the agency or program has encouraged participation by the public in making its rules and decisions as opposed to participation solely by the persons it regulates and the extent to which such rules and decisions are consistent with statutory authority.”

IDFPR adheres to the guidelines and requirements established by JCAR and the Illinois General Assembly (ILGA) for approving rule proposals, legislative changes, and internal policies. Promulgated rules are consistent with agency acts and statutory changes. Decisions made by the agency are based on legislation, administrative rules, and legislative intent. JCAR reviews rules to ensure that the agency does not exceed their rule-making authority granted to them by the General Assembly. In addition, the Department adheres to the requirements established in the Illinois Open Meetings Act (5 ILCS 120/).

Criteria (8) “The efficiency with which formal public complaints filed with the regulatory agency or under the program concerning persons subject to regulation have been processed to completion, by the executive director of the regulatory agencies or programs, by the Attorney General and by any other applicable department of the State government.”

Complaints made against licensees of IDFPR’s Division of Professional Regulation may be filed via mail, e-mail, or phone to IDPR’s Complaint Intake Unit, in the Statewide Enforcement Section.

After processing, a complaint is referred to the Investigations Unit and assigned to an investigator. An investigator may collect documents, interview witnesses, conduct inspections, and gather information to review the complaint for potential licensing law violations. Investigations may close a complaint for various reasons. Investigations may refer the case to the Prosecutions Unit for further review.

When a complaint is referred to the Prosecutions Unit, it is referred to as a “case.” Cases are assigned to a prosecuting attorney who may seek additional information and/or pursue non-disciplinary or disciplinary action. Disciplinary action includes revocation, suspension, probation, and reprimand of a license. Illinois law also allows for the imposition of disciplinary fines. Non-disciplinary action includes administrative fees, the completion of continuing education, and other similar activities. Prosecutions may take a variety of steps, such as filing a formal pleading and/or conducting an informal settlement conference. The Division and the licensee may enter into a negotiated written agreement regarding the case. Alternatively, Prosecutions may close the case due to various reasons, such as insufficient evidence, the allegations are not a violation or are unfounded, or an expiration of the statute of limitations. If needed, a formal hearing is held before an administrative law judge, where evidence may be submitted and where witnesses may testify. After the hearing, the administrative law judge submits a recommendation to a professional board or committee, if applicable. The board or committee then delivers its recommendation to the Director of the Division. The Director then issues a final administrative order. Following the Director’s order, the licensee may appeal the decision in circuit court under the Illinois Administrative Review Act. When applicable, the Division works with outside entities such as state’s attorneys, the Illinois Attorney General, other states, and federal and state governmental agencies to pursue further action, such as criminal or civil action.

Criteria (9) “The extent to which changes are necessary in the enabling laws of the agency or program to adequately comply with the factors listed in this section.”

IDFPR recommends an extension of this act and does not anticipate significant changes. There have been a few changes since the last sunset, most recently P.A. 102-0152, which upgraded training requirements. Currently, rules to implement this legislation are pending before JCAR.

Conclusion:

The Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act addresses the security industry and provides licensure for private detectives, private detective agencies, private alarm contractors, private alarm agencies, private security contractors, private security agencies, canine handlers, fingerprint vendors, fingerprint vendor agencies, locksmiths, and locksmith agencies and related registrations such as Permanent Employee Registration Card and Firearm Control Card holders. Continued licensure and regulation of these professionals will ensure individuals providing such services have achieved educational and training requirements while ensuring continued adherence to industry standards of practice to maintain licensure, the result of which will promote and enhance public health safety and welfare.

The Governor's Office of Management and Budget recommends the sunset of the Act be extended and that the statutory language be modernized to implement more streamlined and efficient regulation of this profession, which will ensure safety and welfare of the general public and ease the burden of regulatory compliance.