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SENATE SUBSTITUTE AMENDMENT 1, TO 1995 SENATE BILL 597

March 19, 1996 - Offered by Senator Drzewiecki.

AN ACT to repeal 111.335 (1) (cm), 134.59 (title), (1) and (3) and 440.26 (7) (title); to renumber and amend 134.59 (2), 440.26 (1), 440.26 (1m), 440.26 (2) (c), 440.26 (5), 440.26 (6), 440.26 (7) (a) and 440.26 (8); to amend 114.103 (1) (c), subchapter II (title) of chapter 440 [precedes 440.26], 440.26 (2) (a) 1., 440.26 (2) (a) 2., 440.26 (4), 440.26 (5) (title), 940.34 (2) (c) 1. and 941.237 (1) (em); **to** repeal and recreate 440.26 (2) (a) (intro.); and to create 111.335 (1) (cg), 440.08 (2) (a) 14c. and 14e., 440.08 (2) (a) 41L. and 41p., 440.08 (2) (a) 60L. and 60p., 440.08 (2) (a) 63g., 440.26 (1) (a) 5. to 10., 440.26 (1) (b), 440.26 (1m) (a) to (g), 440.26 (2) (a) 3. to 8., 440.26 (2) (c) 3., 440.26 (3m), 440.26 (4e), 440.26 (4m), 440.26 (4s), 440.26 (5m), 440.26 (6) (a) 4., 440.26 (6) (b), 440.26 (7m) and 440.26 (8) (b) of the statutes; **relating to:** the regulation of armored transport services, armored transport service persons, locksmith agencies, locksmiths, private alarm contractor agencies and private alarm contractors; the requirements that a person must satisfy to be eligible for a private detective license, a private detective agency license, a private security permit or a license to supply private security personnel; transferring the authority to issue private

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security permits for private security persons from local law enforcement authorities to the department of regulation and licensing; granting rule-making authority; and providing a penalty.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- **SECTION 1.** 111.335 (1) (cg) of the statutes is created to read:
- 111.335 (1) (cg) 1. Notwithstanding s. 111.322, it is not employment discrimination because of conviction record to deny or refuse to renew a license or permit under s. 440.26 to a person who has been convicted of a felony during the 10-year period immediately preceding the date of application for the license, permit or renewal and has not been pardoned for that felony.
- 2. Notwithstanding s. 111.322, it is not employment discrimination because of conviction record to revoke a license or permit under s. 440.26 (6) (b) if the person holding the license or permit has been convicted of a felony and has not been pardoned for that felony.
- 3. Notwithstanding s. 111.322, it is not employment discrimination because of conviction record to refuse to employ a person in a business licensed under s. 440.26 or as an employe specified in s. 440.26 (5) (b) if the person has been convicted of a felony during the 10-year period immediately preceding the refusal to employ the person and has not been pardoned for that felony.
 - **Section 2.** 111.335 (1) (cm) of the statutes is repealed.
- **SECTION 3.** 114.103 (1) (c) of the statutes is amended to read:
- 21 114.103 (1) (c) "Private security person" has the meaning given in s. 440.26 (1m) (h), but does not include any law enforcement officer.
- **SECTION 4.** 134.59 (title), (1) and (3) of the statutes are repealed.

1	Section 5. 134.59 (2) of the statutes is renumbered 440.26 (4e) (c) and amended
2	to read:
3	440.26 (4e) (c) No person engaged in the business of installing burglar alarms
4	private alarm contractor agency, private alarm contractor or employe of a private
5	alarm contractor agency or private alarm contractor may intentionally allow a felon
6	who has not been pardoned to have access to individual burglar alarm system
7	installation records.
8	Section 6. 440.08 (2) (a) 14c. and 14e. of the statutes are created to read:
9	440.08 (2) (a) 14c. Armored transport service: September 1 of each
10	even-numbered year; \$41.
11	14e. Armored transport service person: September 1 of each even-numbered
12	year; \$41.
13	Section 7. 440.08 (2) (a) 41L. and 41p. of the statutes are created to read:
14	440.08 (2) (a) 41L. Locksmith: September 1 of each even-numbered year; \$41.
15	41p. Locksmith agency: September 1 of each even-numbered year; \$41.
16	Section 8. 440.08 (2) (a) 60L. and 60p. of the statutes are created to read:
17	440.08 (2) (a) 60L. Private alarm contractor: September 1 of each
18	even-numbered year; \$41.
19	60p. Private alarm contractor agency: September 1 of each even-numbered
20	year; \$41.
21	Section 9. 440.08 (2) (a) 63g. of the statutes is created to read:
22	440.08 (2) (a) 63g. Private security person: September 1 of each
23	even-numbered year; \$41.
24	Section 10. Subchapter II (title) of chapter 440 [precedes 440.26] of the
25	statutes is amended to read:

1	CHAPTER 440
2	SUBCHAPTER II
3	PRIVATE DETECTIVES,
4	PRIVATE SECURITY PERSONS,
5	ARMORED TRANSPORT SERVICE
6	PERSONS, LOCKSMITHS AND
7	PRIVATE ALARM CONTRACTORS
8	Section 11. 440.26 (1) of the statutes is renumbered 440.26 (1) (a) (intro.) and
9	amended to read:
10	440.26 (1) (a) (intro.) No person may advertise do any of the following unless
11	he or she has a license or permit issued under this section:
12	1. Advertise, solicit or engage in the business of operating a private detective
13	agency , or act .
14	2. Act as a private detective, investigator, special investigator or private
15	security person , or act .
16	3. Act as a supplier of private security personnel, or solicit.
17	4. Solicit business or perform any other type of service or investigation as a
18	private detective or private security person, or receive.
19	11. Receive any fees or compensation for acting as such, without first filing an
20	application and the necessary bond or liability policy with the department and being
21	issued a license or a permit under this section. No person may be so licensed unless
22	the person is over 18 years of age any person, engaging in any business or performing
23	any service specified in subds. 1. to 10.
24	Section 12. 440.26 (1) (a) 5. to 10. of the statutes are created to read:

1	440.26 (1) (a) 5. Advertise, solicit or engage in the business of operating an
2	armored transport service.
3	6. Act as an armored transport service person.
4	7. Advertise, solicit or engage in the business of operating a locksmith agency.
5	8. Act as a locksmith.
6	9. Advertise, solicit or engage in the business of operating a private alarm
7	contractor agency.
8	10. Act as a private alarm contractor.
9	Section 13. 440.26 (1) (b) of the statutes is created to read:
10	440.26 (1) (b) The department may promulgate rules specifying activities in
11	which a person may engage without obtaining a license or permit under this section.
12	Section 14. $440.26~(1\text{m})$ of the statutes is renumbered $440.26~(1\text{m})~(intro.)$ and
13	amended to read:
14	440.26 (1m) (title) Definition Definitions. (intro.) In this section, "private:
15	(h) "Private security person" or "private security personnel" means any private
16	police, guard or any person who stands watch for security purposes.
17	Section 15. 440.26 (1m) (a) to (g) of the statutes are created to read:
18	440.26 (1m) (a) "Armored transport service" means an individual, partnership
19	or corporation that acts as or employs an armored transport service person.
20	(b) "Armored transport service person" means a person engaged in the business
21	of transporting valuables, including currency, documents, papers, maps, negotiable
22	instruments, securities, jewelry or works of art, in a manner that provides or that is
23	primarily intended or designed to provide a high degree of security to the valuables
24	being transported.

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SECTION	1	5

(c) "Burglar alarm system" means a system, including an electronic access
system or other electronic security system, that activates an audible, visible or
remote signal that requires a response and that is designed for the prevention or
detection of intrusion, entry, theft, vandalism or trespass.
(d) "Locksmith" means a person engaged in the business of servicing,
installing, originating first keys, recoding, recombinating, manipulating or
bypassing any of the following:
1. A mechanical or electronic security device that is used to control access to

- 1. A mechanical or electronic security device that is used to control access to or exit from premises, motor vehicles, safes, vaults, safe deposit boxes, automatic teller machines or other areas to which access is intended to be limited.
- 2. A detection device, including burglar and motor vehicle alarms and closed circuit television.
- (e) "Locksmith agency" means an individual, partnership or corporation that acts as or employs a locksmith.
- (f) "Private alarm contractor" means a person engaged in the business of selling, installing, monitoring, maintaining, altering, repairing, replacing, servicing or responding to security alarm systems, including burglar alarm systems, that are installed at a premises protected on an emergency basis. "Private alarm contractor" does not include a person engaged solely in the manufacture or sale of security alarm systems at his or her place of business or a person engaged solely in supplying private security personnel to patrol a protected premises.
- (g) "Private alarm contractor agency" means an individual, partnership or corporation that acts as or employs a private alarm contractor.
- **Section 16.** 440.26 (2) (a) (intro.) of the statutes is repealed and recreated to read:

1	440.26 (2) (a) Types of licenses. (intro.) The department may do any of the
2	following:
3	Section 17. 440.26 (2) (a) 1. of the statutes is amended to read:
4	440.26 (2) (a) 1. A Issue a private detective agency license may be issued to
5	an individual, partnership, limited liability company or corporation. An that meets
6	the qualifications specified under par. (c) if the individual, the members of a the
7	partnership or limited liability company and or the officers or directors of a the
8	corporation, having have a private detective agency license, are not required to have
9	a private detective license unless actually engaged in the work of a private detective.
10	Section 18. 440.26 (2) (a) 2. of the statutes is amended to read:
11	440.26 (2) (a) 2. A Issue a private detective license may only be issued to an
12	individual who meets the qualifications specified under par. (c) if the individual is
13	an owner, coowner or employe of a licensed private detective agency.
14	Section 19. 440.26 (2) (a) 3. to 8. of the statutes are created to read:
15	440.26 (2) (a) 3. Issue an armored transport service license to an individual,
16	partnership, limited liability company or corporation that meets the qualifications
17	specified under par. (c) if the individual, the members of the partnership or limited
18	liability company or the officers or directors of the corporation have an armored
19	transport service person license.
20	4. Issue an armored transport service person license to an individual who meets
21	the qualifications specified under par. (c) if the individual is an owner, coowner or

5. Issue a locksmith agency license to an individual, partnership, limited

liability company or corporation that meets the qualifications specified under par. (c)

employe of a licensed armored transport service.

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contractor license.

SECTION 19

1	if the individual, the members of the partnership or limited liability company or the
2	officers or directors of the corporation have a locksmith license.
3	6. Issue a locksmith license to an individual who meets the qualifications
4	specified under par. (c) if the individual is an owner, coowner or employe of a licensed
5	locksmith agency.
6	7. Issue a private alarm contractor agency license to an individual,
7	partnership, limited liability company or corporation that meets the qualifications
8	specified under par. (c) if the individual, the members of the partnership or limited

8. Issue a private alarm contractor license to an individual who meets the qualifications specified under par. (c) if the individual is an owner, coowner or employe of a licensed private alarm contractor agency.

liability company or the officers or directors of the corporation have a private alarm

SECTION 20. 440.26 (2) (c) of the statutes is renumbered 440.26 (2) (c) 1. and amended to read:

440.26 (2) (c) 1. The <u>Subject to subds. 2. and 3., the</u> department shall prescribe, by rule, such qualifications as it deems appropriate, with due regard to investigative experience, special professional education and training and other factors bearing on professional competence. <u>Subject to ss. 111.321, 111.322 and 111.335, no person</u>

2. If an individual has been convicted in this state or elsewhere of a felony within the 10-year period immediately preceding the date of application for a license under this section and has not been pardoned for that felony, the individual is not eligible for a license for 5 years thereafter under this section. Subject to ss. 111.321, 111.322 and 111.335, if an individual has been convicted in this state or elsewhere of a felony prior to the 10-year period immediately preceding the date of application

- for a license under this section and has not been pardoned for that felony, the individual is not eligible for a license under this section.
 - <u>4.</u> The department, in considering applicants for license, shall seek the advice of the appropriate local law enforcement agency or governmental official, and conduct such further investigation, as it deems proper to determine the competence of the applicant.
 - **Section 21.** 440.26 (2) (c) 3. of the statutes is created to read:
 - 440.26 (2) (c) 3. The department may not issue a license under this section to an individual unless the individual is over 18 years of age.
 - **Section 22.** 440.26 (3m) of the statutes is created to read:
 - 440.26 (3m) Rules concerning dangerous weapons. The department shall promulgate rules relating to the carrying of dangerous weapons by a person who holds a license or permit issued under this section or who is employed by a person licensed under this section. The rules shall meet the minimum requirements specified in 15 USC 5902 (b).
 - **SECTION 23.** 440.26 (4) of the statutes is amended to read:
 - 440.26 (4) Bonds or liability policies required. No license may be issued under this section until a bond or liability policy, approved by the department, in the amount of \$10,000 if the applicant for the license is an agency a private detective agency, an armored transport service, a locksmith agency or a private alarm contractor agency and includes all principals, partners, members or corporate officers, or in the amount of \$2,000 if the applicant is a private detective, an armored transport service person, a locksmith or a private alarm contractor, has been executed and filed with the department. Such bonds or liability policies shall be

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SECTION 23

1	furnished by an insurer authorized to do a surety business in this state in a form
2	approved by the department.
3	SECTION 24. 440.26 (4e) of the statutes is created to read:
4	440.26 (4e) Restrictions concerning unpardoned felons. (a) No person who
5	holds a license issued under this section may employ a person who has been convicted
6	in this state or elsewhere of a felony within the preceding 10 years and who has not
7	been pardoned for that felony.
8	(am) No partnership, limited liability company or corporation may have its
9	business in this state managed by a person who has been convicted in this state or
10	elsewhere of a felony within the preceding 10 years and who has not been pardoned
11	for that felony.
12	(b) No person may employ another person as an employe specified in sub. (5)
13	(b) if the other person has been convicted in this state or elsewhere of a felony within
14	the preceding 10 years and has not been pardoned for that felony.
15	Section 25. 440.26 (4m) of the statutes is created to read:
16	440.26 (4m) Reporting violations of law. (a) Definition. In this subsection
17	"violation" means a violation of any state or local law that is punishable by a
18	forfeiture.
19	(b) Reporting requirement. A person who holds a license or permit issued under
20	this section and who is convicted of a felony or misdemeanor, or is found to have
21	committed a violation, in this state or elsewhere, shall notify the department in
22	writing of the date, place and nature of the conviction or finding within 30 days after
23	the entry of the judgment of conviction or the judgment finding that the person

committed the violation. The written notice to the department under this paragraph

shall include a copy of the complaint, citation or other information that describes the

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nature of the crime or violation and a copy of the judgment of conviction or the judgment finding that the person committed the violation.

Section 26. 440.26 (4s) of the statutes is created to read:

- 440.26 (4s) Locksmith tools and equipment. (a) No person may own or possess, or attempt to own or possess, locksmithing tools specifically designed to compromise or bypass locks, safe-opening tools or code books unless he or she is licensed as a locksmith under this section or is exempt from the locksmith license requirement under rules promulgated by the department under sub. (1) (b).
- (b) This subsection does not apply to tools designed exclusively to open motor vehicle locks and that are owned or possessed by a towing service, a motor club or a person authorized to repossess motor vehicles or, if he or she is acting within the scope of his or her employment, by an employe of a towing service, motor club or person authorized to repossess motor vehicles.
 - **Section 27.** 440.26 (5) (title) of the statutes is amended to read:
- 15 440.26 (5) (title) EXEMPTIONS: PRIVATE SECURITY PERMIT.
 - **SECTION 28.** 440.26 (5) of the statutes is renumbered 440.26 (5) (b) and amended to read:
 - 440.26 **(5)** (b) This Subject to sub. (4e) (b), the license requirements of this section does do not apply to any person employed, directly or indirectly by the state or by a municipality, as defined in s. 345.05 (1) (c), or to any employe of a railroad company under s. 192.47, or employes to any employe of a commercial establishments, who operate exclusively on their establishment, while the person is acting within the scope of his or her employment and whether or not he or she is on the employer's premises.

SECTION 28

apply:

- (c) An employe of any licensed agency that is licensed as a private detective agency under this section and that is doing business in this state as a supplier of uniformed private security personnel to patrol exclusively on the private property of industrial plants, business establishments, schools, colleges, hospitals, sports stadiums, exhibits and similar activities are is exempt from the license requirements of this section while engaged in such employment, if the person all of the following
 - 1. The employe obtains a private security permit under this section sub. (5m).
- 2. The <u>private detective</u> agency shall furnish upon request <u>furnishes</u> an up-to-date <u>written</u> record of its employes to the chief of police or other local law enforcement official designated by the department for the municipality wherein such activities take place. Such. The record shall include the name, residence address, date of birth and a physical description of each such employe together with a recent photograph and 2 fingerprint cards bearing a complete set of fingerprints of the <u>each</u> employe, and, subject to ss. 111.321, 111.322 and 111.335, no person shall be eligible for a private security permit who has been convicted in this state or elsewhere of a felony within 5 years preceding application.
- 3. The private detective agency shall notify notifies the chief of police or other designated official department in writing within 5 days of any change of the residence address or of the termination of employment of such person. A private security permit shall be issued or denied within 48 hours of application by the chief of police or other designated official. The permit shall remain valid unless for just cause revoked by the chief of police or other designated official issuing the permit for just cause. Upon denial or revocation of a permit, appeal may be taken to the department. The chief of police or other designated official may charge the agency

1	a fee of not more than \$10 for issuing the permit in the information under subd. 2.
2	regarding its employes, including the termination of employment of any person.
3	Section 29. 440.26 (5m) of the statutes is created to read:
4	440.26 (5m) Private security permit. (a) The department shall issue a private
5	security permit to an individual if all of the following apply:
6	1. The individual submits an application for a private security permit to the
7	department on a form provided by the department.
8	2. Except as provided in par. (am) and subject to ss. 111.321, 111.322 and
9	111.335, the individual has not been convicted in this state or elsewhere of a felony,
10	unless he or she has been pardoned for that felony.
11	3. The individual provides evidence satisfactory to the department that he or
12	she is an employe of a private detective agency described in sub. (5) (c).
13	4. The individual pays to the department the fee specified in s. $440.05\ (1)$.
14	(am) No private security permit may be issued under this subsection to an
15	individual who has been convicted in this state or elsewhere of a felony within the
16	10-year period immediately preceding the date of application for a permit under
17	subd. 1., unless he or she has been pardoned for that felony.
18	(b) The renewal dates for permits issued under this subsection are specified
19	under s. $440.08(2)(a)$. Renewal applications shall be submitted to the department
20	on a form provided by the department and shall include the renewal fee specified in
21	s. 440.08 (2) (a).
22	(c) A private security permit issued under this subsection authorizes the holder
23	of the permit to engage in private security activities described in sub. (5) (c) for an
24	employer described in sub. (5) (c) anywhere in this state.

(d) The department shall maintain a record pertaining to each applicant for a
permit under this subsection and each holder of a permit issued under this
subsection. The record shall include all information received by the department that
is relevant to the approval or denial of the application, the issuance of the permit and
any limitations, suspensions or revocations of the permit.
Section 30. 440.26 (6) of the statutes is renumbered 440.26 (6) (a) (intro.) and
amended to read:
440.26 (6) (a) (intro.) Subject to the rules adopted under s. 440.03 (1), the
department may reprimand the holder of a license or permit issued under this
section or revoke, suspend or limit the license or permit of any person who has been
done any of the following:
1. Been convicted of a crime misdemeanor or found to have violated any state
or local law that is punishable by a forfeiture, subject to ss. 111.321, 111.322 and
111.335 , or has engaged .
2. Engaged in conduct reflecting adversely on his or her professional
qualification, or has made.
3. Made a false statement in connection with any application for a license or
permit under this section.
Section 31. 440.26 (6) (a) 4. of the statutes is created to read:
440.26 (6) (a) 4. Violated this section or any rule promulgated or order issued
under this section.
Section 32. 440.26 (6) (b) of the statutes is created to read:
440.26 (6) (b) Subject to the rules promulgated under s. 440.03 (1), the
department shall revoke the license or permit of any person who has been convicted
of a felony in this state or elsewhere and who has not been pardoned for that felony.

A person whose license or permit is revoked under this paragraph is eligible to apply 1 2 for a license or permit under this section 10 years after the date of conviction for the 3 felony. **Section 33.** 440.26 (7) (title) of the statutes is repealed. 4 5 **Section 34.** 440.26 (7) (a) of the statutes is renumbered 440.26 (5) (a) and 6 amended to read: 7 440.26 (5) (a) "Private detective" does not include The requirement that a 8 person acting as a private detective, investigator or special investigator be licensed 9 under this section does not apply to attorneys, law students or law school graduates 10 employed by an attorney or persons directly employed by an attorney or firm of 11 attorneys whose work as private detective, investigator or special investigator is limited to such attorney or firm or to persons directly employed by an insurer or a 12 retail credit rating establishment. A person who accepts employment with more 13 14 than one law firm shall be subject to the licensing provisions of this section. 15 **Section 35.** 440.26 (7m) of the statutes is created to read: 16 440.26 (7m) IDENTIFICATION CARD. (a) The department shall issue an 17 identification card to every individual who is issued a license or permit under this 18 subchapter. 19 (b) An identification card issued under par. (a) shall contain all of the following: 1. The individual's name. 20 21 2. Identification information of the individual, including height, weight and hair and eye color. 22 23

3. A recent photograph of the individual.

4. The signature of the individual.

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- 5. The name and license number of the private detective agency, armored transport service, locksmith agency or private alarm contractor agency employing the individual, if applicable.
 - 6. The number of the identification card.
- (c) An individual who terminates his or her employment with a private detective agency, armored transport service, locksmith agency or private alarm contractor agency shall notify the department and return his or her identification card to the department.
- (d) The department may charge a fee for issuing or reissuing an identification card under this subsection.
- (e) The department may promulgate any rules necessary to administer this subsection.

SECTION 36. 440.26 (8) of the statutes is renumbered 440.26 (8) (a) and amended to read:

440.26 (8) (a) Any person, acting as a private alarm contractor, locksmith, armored transport service person, private detective, investigator or private security person, or who employs any person who solicits, advertises or performs services in this state as a private alarm contractor, locksmith, armored transport service person, private detective or private security person, or investigator or special investigator, without having procured the license or permit required by this section, may be fined not less than \$100 nor more than \$500 or imprisoned not less than 3 months nor more than 6 months or both. Any agency or service having an employe, owner, officer or agent convicted of the above offense may have its agency or service license revoked or suspended by the department. Any person convicted of the above offense shall be ineligible for a license for one year.

Section 37. 440.26 (8) (b) of the statutes is created to read:

440.26 **(8)** (b) Any person who violates sub. (4s) may be required to forfeit not less than \$100 nor more than \$500 or imprisoned for not less than 3 months nor more than 6 months or both.

SECTION 38. 940.34 (2) (c) 1. of the statutes is amended to read:

940.34 (2) (c) 1. In this paragraph, "unlicensed private security person" means a private security person, as defined in s. 440.26 (1m) (h), who is exempt from the permit and licensure requirements of s. 440.26.

Section 39. 941.237 (1) (em) of the statutes is amended to read:

941.237 (1) (em) "Private security person" has the meaning given in s. 440.26 (1m) (h).

SECTION 40. Nonstatutory provisions.

(1) No later than the first day of the 2nd month beginning after the effective date of this subsection, the chiefs of police or other designated officials who issued private security permits under section 440.26 (5) of the statutes shall transfer to the department of regulation and licensing copies of all records pertaining to private security permits. Permits issued by chiefs of police or other designated officials prior to the effective date of this subsection shall be treated as if they were issued by the department of regulation and licensing under section 440.26 (5m) of the statutes, as created by this act, on the effective date of this subsection. Any permit denial or revocation proceeding pending on the effective date of this subsection is transferred to the department of regulation and licensing on the effective date of this subsection.

Section 41. Initial applicability.

(1) The treatment of section 440.26 (2) (a) 1. and 2. and (c), (5) and (5m) of the statutes first applies to applications for an initial license or permit under section

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440.26 of the statutes, as affected by this act, that are submitted on the effective dat
of this subsection.

- (2) The treatment of section 440.26 (4e) of the statutes first applies to a person who is offered employment or management authority on the effective date of this subsection.
- (3) The treatment of section 440.26 (4m) of the statutes first applies to judgments of conviction or judgments finding that a person committed a violation that are entered on the effective date of this subsection.
- (4) The treatment of section 440.26 (6) (b) of the statutes first applies to a person holding a license or permit under section 440.26 of the statutes who is convicted of a felony on the effective date of this subsection.

12 (END)