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## **HOUSE BILL No. 2402**

By Committee on Federal and State Affairs

2-17

AN ACT concerning private security guards; relating to the licensure and regulation thereof; repealing K.S.A. 12-1679.

Be it enacted by the Legislature of the State of Kansas:

Section 1. As used in this act:

- (1) "Private security guard" means a merchant security guard or any other person engaged for hire in the business of guarding, watching, patrolling or otherwise providing security for the real or personal property of another.
- (2) "Person" means any individual, partnership, agency, firm, corporation, limited liability corporation or other business entity.
  - Sec. 2. Unless expressly exempted from the provisions of this act:
- (a) It shall be unlawful for any person to engage in the business of a private security guard in this state unless such person is licensed as a private security guard under this act.
- (b) It shall be unlawful for any person to engage in business in this state as a private security agency unless such person is licensed as a private security agency.
- Sec. 3. The following persons shall not be deemed to be engaging in private security business:
- (a) A person employed exclusively and regularly by one employer in connection only with the internal affairs or investigations of such employer and where there exists an employer-employee relationship;
- (b) any officer or employee of the United States, or of this state or a political subdivision thereof while engaged in the performance of the officer's or employee's official duties;
- (c) a person engaged exclusively in the business of obtaining and furnishing information as to the financial rating of persons except that this exemption does not include a person preparing an investigative consumer report as defined by K.S.A. 50-702, and amendments thereto;
- (d) a charitable philanthropic society or association duly incorporated under the laws of this state which is organized and maintained for the public good and not for private profit;
- (e) an attorney performing duties as an attorney or a person employed exclusively and regularly by an attorney or law firm performing duties

exclusively on behalf of the attorney or law firm;

- (f) a licensed collection agency or an employee thereof while acting within the scope of employment, while making an investigation incidental to the business of the agency, including an investigation of the location of a debtor or a debtor's property where the contract with an assignor creditor is for the collection of claims owed or due or asserted to be owed or due or the equivalent thereof;
- (g) admitted insurers, agents and insurance brokers licensed by the state, performing duties in connection with insurance transacted by them;
- (h) the legal owner of personal property which has been sold under a conditional sales agreement or a mortgagee under the terms of a chattel mortgage in connection with the recovery of such personal property;
- (i) any bank subject to the jurisdiction of the state bank commissioner of the state of Kansas or the comptroller of currency of the United States;
- (j) a person engaged solely in the business of securing information about persons or property from public records;
- (k) an insurance adjuster which, for the purpose of this act, means any person who, for any consideration whatsoever, adjusts or otherwise participates in the disposal of any claim under or in connection with a policy of insurance or engages in soliciting insurance adjustment business; or
  - (l) a person engaged in market research.
- Sec. 4. (a) Every person desiring to be licensed in Kansas as a private security guard or private security agency shall make application therefor to the attorney general. An application for a license under this act shall be on a form prescribed by the attorney general and accompanied by the required application fee. An application shall be verified and shall include:
  - (1) The full name and business address of the applicant;
  - (2) the name under which the applicant intends to do business;
- (3) a statement as to the general nature of the business in which the applicant intends to engage;
- (4) a statement as to the classification or classifications under which the applicant desires to be qualified;
- (5) if the applicant is an organization, the full name and residence address of each of its partners, officers, directors or associates;
- (6) two photographs of the applicant taken within 30 days before the date of application, of a type prescribed by the attorney general, and two classifiable sets of the applicant's fingerprints one of which shall be submitted to the federal bureau of investigation for a fingerprint check for any criminal history of the applicant;
  - (7) a statement of the applicant's employment history; and
- (8) such other information, evidence, statements or documents as may be required by the attorney general.

- (b) The attorney general may require an applicant to submit references as prescribed by rules and regulations adopted by the attorney general.
- (c) Before an application for a license may be granted, the applicant or, if the applicant is an organization, all of the officers, directors, partners or associates shall:
- (1) Be at least 18 years of age. If the applicant is to carry a weapon as part of the applicant's employment, the applicant shall be at least 21 years of age;
  - (2) be a citizen of the United States;
  - (3) be of good moral character; and
- (4) comply with such other qualifications as the attorney general adopts by rules and regulations.
- (d) In accordance with the summary proceedings provisions of the Kansas administrative procedure act, the attorney general may deny a license if the applicant has:
- (1) Committed any act which, if committed by a licensee, would be grounds for the suspension or revocation of a license under this act;
  - (2) committed any act constituting dishonesty or fraud;
- (3) a bad moral character or a bad reputation for truth, honesty and integrity;
- (4) been convicted of a felony or, within 10 years immediately prior to the date of application, been convicted of any crime involving moral turpitude, dishonesty, vehicular homicide, assault, battery, assault of a law enforcement officer, misdemeanor battery against a law enforcement officer, criminal restraint, sexual battery, endangering a child, intimidation of a witness or victim or illegally using, carrying or possessing a dangerous weapon;
- (5) been refused a license under this act or had a license suspended or revoked in this state or in any other jurisdiction or had a license censured, limited or conditioned two or more times in this state or in any other jurisdiction;
- (6) been an officer, director, partner or associate of any person who has been refused a license under this act or whose license has been suspended or revoked in this state or in any other jurisdiction or had a license censured, limited or conditioned two or more times in this state or in any other jurisdiction;
- (7) while unlicensed, committed or aided and abetted the commission of any act for which a license is required by this act; or
  - (8) knowingly made any false statement in the application.
- (e) The attorney general may charge a fee for the initial application forms and materials in an amount fixed by the attorney general pursuant to section 19, and amendments thereto. Such fee shall be credited against

the application fee of any person who subsequently submits an application.

- Sec. 5. (a) Every application for an initial or a renewal license which will be effective on and after January 1, 2003, shall be accompanied by a fee in an amount fixed by the attorney general pursuant to section 19, and amendments thereto.
- (b) In addition to the application fee imposed pursuant to subsection (a), if the applicant is an organization and any of its officers, directors, partners or associates intends to engage in the business of such organization as a private security guard, such officer, director, partner or associate shall make a separate application for a license and pay a fee in an amount fixed by the attorney general pursuant to section 19, and amendments thereto.
- (c) If a license is issued for a period of less than two years, the fees imposed pursuant to this section shall be prorated for the months, or fraction thereof, for which the license is issued.
- Sec. 6. (a) The license, when issued, shall be in such form as may be determined by the attorney general and shall include the:
  - (1) Name of the licensee;
  - (2) name under which the licensee is to operate; and
  - (3) number and date of the license.
- (b) The license at all times shall be posted in a conspicuous place in the principal place of business of the licensee. Upon the issuance of a license, a pocket card of such size, design and content as determined by the attorney general shall be issued without charge to each licensee or, if the licensee is an organization, to each of its officers, directors, partners or associates. Such card shall be evidence that the licensee is duly licensed pursuant to this act. When any licensee terminates such licensee's activities as a private security guard, or such licensee's license has been suspended or revoked, the card shall be surrendered within five days after such termination, suspension or revocation, to the attorney general for cancellation. Within 30 days after any change of address or of any change in its officers, directors, partners or associates, a licensee shall notify the attorney general thereof. The principal place of business may be at a residence or at a business address, but it shall be the place at which the licensee maintains a permanent office.
- (c) Applications, on forms prescribed by the attorney general, shall be submitted by all new officers or partners. The attorney general may suspend or revoke a license issued under this act if the attorney general determines that, at the time such person became an officer or partner of a licensee, such person did not meet the requirements of section 4, and amendments thereto.
  - Sec. 7. (a) Any license issued under this act shall expire on December

31 of the year following the year when issued and may be renewed every two years thereafter. Renewal of any such license shall be made in the manner prescribed for obtaining an original license, including payment of the appropriate fee required by section 5, and amendments thereto, except that:

- (1) The application for renewal shall provide the information required of original applicants if the information shown on the original application or any renewal thereof on file with the attorney general is no longer accurate;
- (2) a new photograph shall be submitted with the application for renewal only if the photograph on file with the attorney general has been on file more than two years; and
- (3) additional information may be required by rules and regulations adopted by the attorney general.
  - (b) A license issued under this act shall not be assignable.
- Sec. 8. (a) Any licensee or individual who is an officer, director, partner or associate thereof shall notify the appropriate law enforcement agency with jurisdiction over the matter of any information the licensee or individual may acquire as to any criminal offense.
- (b) No licensee or individual who is an officer, director, partner, associate or employee thereof knowingly shall:
- (1) Make any false report to the licensee's or individual's employer or client for whom private security was being provided;
- (2) use a title, wear a uniform, use an insignia or an identification card or make any statement with the intent to give an impression that the licensee or individual is connected in any way with the federal government, a state government or any political subdivision of a state government;
- (3) use an alias in connection with the activities of the licensee's business;
- (4) permit an unlicensed employee or agent in the employee's or agent's own name to advertise, engage clients, furnish reports or present bills to clients, or in any manner whatever conduct business for which a license is required under this act or conduct business of the licensee other than in the name of and under the control of the licensee; or
  - (5) manufacture or produce any false evidence.
- Sec. 9. Each licensee shall maintain a record containing such information relative to the licensee's employees as may be prescribed by the attorney general. Such licensee shall file with the attorney general the complete address of the licensee's principal place of business including the name and number of the street, or, if the street where the business is located is not numbered, the number of the post-office box. The attorney general, pursuant to rules and regulations, may require the filing

of other information for the purpose of identifying such principal place of business.

- Sec. 10. An advertisement by a licensee soliciting or advertising business shall not contain any false, misleading or deceptive information. A licensee shall not advertise or conduct business from any location other than that shown on the records of the attorney general as the licensee's place of business.
- Sec. 11. (a) Except as provided in subsection (b), the attorney general may require an applicant to: (1) File with the attorney general a corporate surety bond executed by a company authorized to do business in this state; (2) file with the attorney general a certificate of insurance showing that the applicant has general liability insurance providing coverage for bodily injury or property damage caused by negligence and errors or omissions; or (3) make a cash deposit with the state treasurer. Such bond, certificate of insurance or cash deposit shall be in an amount determined by the attorney general. The bond or return of the deposit shall be conditioned on the faithful and honest conduct of business by the applicant.
- (b) No applicant who is or will be employed by a licensee to engage in the business of the licensee shall be required to obtain the bond or certificate of insurance or make the deposit provided for by this section.
- (c) The attorney general shall approve each bond filed under this section as to form, execution and sufficiency of the sureties. Such bond shall be taken in the name of the people of this state and may be continuing in nature. The attorney general shall approve any certificate of insurance filed under this section as to form, execution and sufficiency of coverage evidenced thereby.
- (d) Any person injured by any unlawful act of an applicant or an applicant's employees or agents, whether licensed or not, may bring an action on the applicant's bond or deposit in such person's own name to recover damages suffered by reason of such unlawful act.
- Sec. 12. (a) Every licensee at all times shall maintain on file the surety bond, in full force and effect, or a valid certificate of insurance evidencing sufficient insurance in force or the deposit with the state treasurer, as required by section 11, and amendments thereto. Upon failure to do so, the license of such licensee shall be suspended immediately and shall not be reinstated until an application therefor, in the form prescribed by the attorney general, is filed together with the bond or certificate of insurance or deposit required by this act.
- (b) Bonds executed and filed with the attorney general pursuant to this act shall remain in force and effect until the surety has terminated future liability by 30 days' notice to the attorney general.
  - Sec. 13. (a) The attorney general may censure, limit, condition, sus-

pend or revoke a license issued under this act if, after notice and opportunity for hearing in accordance with the provisions of the Kansas administrative procedure act, the attorney general determines that the licensee or, if the licensee is an organization, any of its officers, directors, partners or associates has:

- (1) Made any false statement or given any false information in connection with an application for a license or a renewal or reinstatement thereof;
  - (2) violated any provisions of this act;
- (3) violated any rules and regulations of the attorney general adopted pursuant to the authority contained in this act;
- (4) been convicted of a felony, vehicular homicide, assault, battery, assault of a law enforcement officer, misdemeanor battery against a law enforcement officer, criminal restraint, sexual battery, endangering a child, intimidation of a witness or victim or any crime involving moral turpitude or illegally using, carrying or possessing a dangerous weapon subsequent to the issuance of the license;
- (5) impersonated, or permitted or aided and abetted an employee to impersonate, a law enforcement officer or employee of the United States of America, or of any state or political subdivision thereof;
- (6) committed or permitted any employee to commit any act, while the license was expired, which would be cause for the suspension or revocation of a license, or grounds for the denial of an application for a license:
- (7) committed assault, battery or kidnapping or used force or violence on any person without proper justification;
- (8) used any letterhead, advertisement or other printed matter, or in any manner whatever represented that such person is an instrumentality of the federal government, a state or any political subdivision thereof;
- (9) used false, misleading or deceptive information in any advertisement, solicitation or contract for business;
- (10) has committed any act in the course of the licensee's business constituting dishonesty or fraud; or
- (11) committed any act which is a ground for denial of an application for a license under this act.
- (b) The record of conviction, or a certified copy thereof, shall be conclusive evidence of such conviction as that term is used in this section or in section 4, and amendments thereto, and a plea or verdict of guilty or a conviction following a plea of *nolo contendere* is deemed to be a conviction within the meaning thereof.
- Sec. 14. (a) The licensing and regulation of private security guards and private security agencies shall be under the exclusive jurisdiction and control of the attorney general, as provided by this act, and no city or

county may adopt any ordinance or resolution which provides for the licensing or regulation of private security guards or private security agencies. Any such ordinance or resolution is hereby declared null and void.

- (b) The attorney general shall adopt such rules and regulations as may be necessary to carry out the provisions of this act.
- Sec. 15. Any person who knowingly falsifies the fingerprints or photographs required to be submitted under this act shall be guilty of a severity level 10, nonperson felony. Any person who violates any other provision of this act shall be guilty of a class A misdemeanor.
- Sec. 16. (a) The attorney general may require as a condition of licensure as a private security guard that the applicant or, if the applicant is an organization, any of its officers, directors, partners or associates:
- (1) Pass a written examination as evidence of knowledge of private security business or evidence of training meeting criteria that may be established by the attorney general, including any annual training requirement established by the attorney general, or both; and
- (2) submit to an oral interview with the attorney general or the attorney general's designee.
- (b) The attorney general may conduct a complete investigation of the background of each applicant for licensure as a private security guard or, if the applicant is an organization, of each of the applicant's officers, directors, partners or associates, to determine whether the applicant is qualified for licensure under section 4, and amendments thereto.
- Sec. 17. (a) No licensee may carry a firearm on or about the licensee's person unless the licensee obtains a permit therefor, upon application to the attorney general. No permit shall be issued to any licensee unless such licensee:
- (1) Demonstrates to the attorney general the need to carry a firearm in order to protect the licensee's life or property or to protect the life or property of a client of licensee and submits such proof as required by the attorney general to establish the necessity for the issuance of a firearm permit; and
- (2) has received training in the handling of firearms and the lawful use of force from a trainer certified pursuant to section 18, and amendments thereto, and submits such proof as required by the attorney general to show satisfactory completion of such training.
- (b) An application for a firearm permit shall be made in the manner and form prescribed by the attorney general and shall be accompanied by a fee in an amount fixed by the attorney general pursuant to section 19, and amendments thereto. Such application shall be made a part of and supplemental to such licensee's application for a license under this act. The application shall contain:
  - (1) The applicant's name and business and residence addresses;

- (2) the make or manufacturer's name, model, serial number, caliber, gauge and any other identifying information concerning the firearm or firearms to be carried by the applicant;
  - (3) a full set of the applicant's fingerprints;
- (4) a color photograph of the applicant taken within 30 days prior to date of application and suitable for identification purposes; and
- (5) such other information as deemed necessary by the attorney general.
- (c) (1) If the attorney general is satisfied that it is necessary for an applicant under this section to carry a firearm, the attorney general shall issue to such licensee a firearm permit identification card, the form of which shall be approved by the attorney general. Such card shall bear the licensee's color photograph, thumb prints and signature and a description of the firearm or firearms to be carried. The licensee shall have such permit in the licensee's possession when carrying a firearm. Identification cards and firearm permits shall be numbered consecutively, and the attorney general shall maintain a current file of all valid firearm permits.
- (2) For the purpose of safety and emergency identification, licensees issued a firearm permit under this act to carry a firearm may carry a firearm permit badge. The badge shall be carried in such a manner that at all times when the badge is visible the private security guard's firearm permit identification card issued pursuant to paragraph (1) of this subsection also shall be visible. The attorney general shall determine the size, design and other specifications of the badge. The words "licensed private security guard" shall be stated clearly on the face of the badge. The cost of the badge shall be borne by the licensee. Whenever any licensee terminates such licensee's activities as a private security guard, or such licensee's license has been suspended or revoked, such badge shall be surrendered within five days following such termination, suspension or revocation to the attorney general for cancellation. Every licensee possessing a valid firearm permit badge shall report to the attorney general any loss of the badge within 72 hours of the discovery of the loss.
- (d) Any licensee granted a firearm permit shall present the permit identification card and firearm permit badge upon request by a law enforcement officer acting within the officer's jurisdictional authority, or by a private person upon private property if the person owns or has legal control of the private property, to demonstrate the licensee's permit to carry a firearm. Every licensee possessing a valid firearm permit shall report to the attorney general any change of employment status, change of firearm or firearms to be carried, loss of identification card or change of personal or business address. Every licensee who discharges a firearm for any reason other than test firing, firearm training or target practice shall report the discharge to the attorney general within 24 hours, to-

gether with a written report giving full particulars and reason for such discharge.

- (e) The attorney general shall revoke any firearm permit if the licensee's private security guard license has been suspended or revoked. The attorney general may suspend or revoke any firearm permit if the licensee has used a firearm in a manner inconsistent with the lawful use of force or if the licensee can no longer demonstrate a need to carry a firearm, pursuant to subsection (a)(1). An order of suspension or revocation, and hearing thereon, shall be subject to the provisions of the Kansas administrative procedure act. The attorney general shall recall any suspended or revoked firearm permit identification card.
- (f) A licensee to whom a firearm permit is granted under this section shall be deemed to have no greater justification in the use of force than a private person as prescribed by the Kansas criminal code. Nothing in this act shall be construed as limiting the civil liability of any such licensee with respect to the use of force.
  - (g) No firearm permit shall be issued to any:
  - (1) Organization;
- (2) individual who has been declared, by any court of competent jurisdiction, to be incapacitated or mentally ill and has not been restored to capacity or mental health; or
- (3) individual who suffers from alcohol or narcotics addiction or dependence.
- (h) A firearm permit issued under this act shall expire on December 31 of the year of the year following the year when issued. Renewal of any such firearm permit shall be made in a form and manner prescribed by the attorney general and subject to such conditions as required by rules and regulations adopted by the attorney general. Renewal of a firearm permit shall be based on a demonstrated continuing need to carry a firearm in accordance with subsection (a)(1).
- Sec. 18. (a) The attorney general shall certify persons who are qualified to train private security guards in the handling of firearms and the lawful use of force.
- (b) In order to be certified as a trainer under this section, an applicant shall:
  - (1) Be 21 or more years of age;
- (2) have a minimum of one-year supervisory experience with a private detective agency, private security guard organization, a private patrol operator, a proprietary investigative or security organization or any federal, United States military, state, county or city law enforcement agency;
- (3) be personally qualified to train private security guards in the handling of firearms and the lawful use of force; and
  - (4) not have been convicted of a felony or, within 10 years immedi-

ately prior to the date of application, been convicted of a misdemeanor. If the applicant is not licensed as a private security guard, the applicant shall submit two classifiable sets of the applicant's fingerprints one of which shall be submitted to the federal bureau of investigation for a fingerprint check for any criminal history of the applicant.

- (c) Persons wishing to become certified trainers shall make application to the attorney general on a form prescribed by the attorney general. Applications for a firearm training certificate shall be accompanied by a fee in an amount fixed by the attorney general pursuant to section 19, and amendments thereto. The application shall contain a statement of the plan of operation for the training offered by the applicant and the materials and aids to be used and any other information required by the attorney general.
- (d) A certificate shall be granted to a trainer if the attorney general finds that the applicant:
  - (1) Meets the requirements of subsection (b);
  - (2) is a person of good character and reputation;
- (3) has sufficient knowledge of private security guard business, firearms training and the lawful use of force to be a suitable person to train private security guards in the handling of firearms and the lawful use of force;
  - (4) has supplied all required information to the attorney general; and
  - (5) has paid the required fee.
- (e) The certificate issued pursuant to this section shall expire on December 31 of the year following the year when issued and shall be renewable biennially upon application and payment of a fee in an amount fixed by the attorney general pursuant to section 19, and amendments thereto.
- Sec. 19. (a) In each fiscal year, the attorney general shall determine the amount of funds which will be required during the next ensuing fiscal year to properly administer the laws which the attorney general is directed to enforce and administer relating to the licensure and regulation of private security guards and private security agencies. The attorney general, by the adoption of rules and regulations, shall fix fees in accordance with this section in such reasonable sums as may be necessary for such purposes.
- (b) After fixing such fees, the attorney general may charge and collect the fees, in advance for the following purposes, subject to the following limitations:

For initial application forms and materials, not to	
exceed	\$15
For application for licensure, not to exceed	

1	For application by an officer, director, partner or associate	
2	of an organization, if required to be licensed pursuant	
3	to section 5, and amendments thereto, not to exceed	100
4	For renewal of license, not to exceed	175
5	For renewal of license of an officer, director, partner or	
6	associate of an organization, if required to be licensed	
7	by section 5, and amendments thereto, not to exceed	100
8	For application for a firearm permit, not to exceed	50
9	For renewal of a firearm permit, not to exceed	50
10	For application for a firearm trainers certificate, not to	
11	exceed	100
12	For renewal of a firearm trainers certificate, not to	
13	exceed	100
14	(c) A duplicate license shall be issued upon the filing of a s	statement

(c) A duplicate license shall be issued upon the filing of a statement covering the loss of the license and the payment of a fee of \$5 for the issuance of a duplicate license. Each duplicate license shall have the word "duplicate" stamped across the face thereof and shall bear the same number as the original.

Sec. 20. The attorney general shall remit all moneys received from fees or charges imposed pursuant to this act to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the private security guard fee fund, which is hereby created. Moneys in such fund shall be used solely for the purpose of administering and implementing this act and any other law relating to the licensure and regulation of private security guards and private security agencies. All expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the attorney general or by a person or persons designated by the attorney general.

Sec. 21. K.S.A. 12-1679 is hereby repealed.

Sec. 22. This act shall take effect and be in force from and after January 1, 2004, and its publication in the statute book.