

THE MINNESOTA BOARD OF PRIVATE DETECTIVE AND PROTECTIVE AGENTS

Biennial Report of the Private Detective and Protective Agent Services Board
FY2021-2022



“The objectives of the Private Detective and Protective Agent Board is to ensure investigative and security service license holders meet and maintain statutory qualifications and ensuring license holders are acting responsibly and for the best interest of their clients. With public safety and consumer protection as our main guidelines the agency investigates complaints against license holders, provides support to law enforcement and the courts, and works towards increasing the quality of the industry.”



STATE OF MINNESOTA
Board of Private Detective and Protective Agent Services
1430 Maryland Avenue East, St. Paul MN 55106

BIENNIAL REPORT FOR FISCAL YEARS 2021- 2022

The Minnesota Board of Private Detective and Protective Agent Services Biennial Report for Fiscal Years 2021- 2022 as required by Minnesota Statute § 214.07 subd. 1. This report provides a summary of the Board's actions and accomplishments for the past two years.

One of the challenges our agency has faced is staffing. In 2022 we recommend to the legislature the addition of 2 staff (FTE) members, an RMS system, and approval for license holders to have their background checks completed by the FBI, we are awaiting approval from the legislature. This could bring our current total staff from 3 to 5 FTE; Executive Director, three Investigative analysts, and Administrative Assistant. We also have a temporary part time position for a maximum of one year with renewal based on the annual budget. Currently we have 3 FTE and .50 FTE. We are incredibly understaffed and the requests will eliminate most of our paper usage and excel sheets.

The Board has had to navigate multiple issues over the past several months. Fortunately we were able to maintain all levels of service without impact. The Executive Director was appointed the position in July and began in August. For 6 months we had 2 staff members; Executive Director and Administrative Assistant. In December we were able to fill the 1 FTE Investigative Analyst and the 1 temporary part-time position. Most staff work remotely.

In May 2020, the State of Minnesota became overwhelmed with civil unrest related to the death of George Floyd. Along with the civil unrest came a quick demand for security services across the state, many of our security license holders answered the call, attempting to fill the need with limited staff and time. As they could not meet the demand, there was an influx of unlicensed security entities operating within Minnesota. Gathering information about these entities and dispersing it to the correct jurisdictions stretched our limited staffing resources. We persevered and May of 2023 is the first time the board will pursue an injunctive relief or cease and desist with an unlicensed security company. We have done a thorough investigation and are prepared to file.

Sincerely,

Kate White

Executive Director | Minnesota Board of Private Detective and Protective Agent Services
(651) 793-2666
kate.white@state.mn.us
<https://dps.mn.gov/entity/pdb>

HISTORY OF BOARD

The first laws in Minnesota were written for the licensing of private detectives in 1945. In 1974 a law was passed forming the first Private Detective and Protective Agent Board was formed. The Board is a five-member panel, comprised of one licensed private detective, one licensed protective agent, one law enforcement representative, and two public members.

Its original mission was to have a process to approve licenses, revoke licenses and deal with complaints. Since the inception, the mission of the Private Detective and Protective Agent Services Board has become to ensure investigative and security service practitioners meet statutory qualifications and training for licensure, and maintain standards set forth in Minnesota Statutes and Administrative Rules.

Currently the Board oversees 359 license holders, this is 217 private investigative and 142 protective agent license holders. Growth of these services can be seen in the increase in new licensees, along with the reissuance of well over 100 licenses annually.

The increased use and visibility of these services contribute to the safety and protection of people and property. The Board monitors, educates and disciplines license holders, using its authority to ensure statute; rules and standards are being met. The Board identifies concerns regarding the changes in government public safety efforts and these privately provided services.

Current Board Members

NAME	OCCUPATION/REAPPOINTMENT DATE	ADDRESS
Rick Hodsdon – Board Chairman, Public Member	Attorney/Consultant 1/1/2022	Box 825 Stillwater, MN 55082
Douglas Belton – Protective Agent	CEO of BelCom, Inc. 1/1/2024	7800 Metro Parkway Suite 300, Bloomington 55425
Scott Mueller – Department of Public Safety	Deputy Superintendent of the Bureau of Criminal Apprehension 2/1/2022	1430 Maryland Ave. E, St. Paul, MN 55106
Al Garber – Private Detective	Private Investigator 6/1/2021	1223 Blossom Blvd, Isanti, MN 55040
Melinda Elledge – Public Member	Attorney 1/1/2024	9120 64 th St. N, Stillwater, MN 55082

**Board members spend approximately 120 – 150 hours a year on Board activities.*

Agency Staff- 3 FTE's and 1-.50

Katherine McRae White *Executive Director*

Abigail Smith *Investigative Analyst* / Megan Canny *Administrative Assistant*

Christine Krajsa *Complaints Part time*

Agency Resources

The Board is a state agency that is housed at the Bureau of Criminal Apprehension. Per MN Statute 214.04 the Board is provided administrative, accounting, human resource and housing support from the Department of Public Safety. The Board meets on a monthly basis to conduct their primary business. These are public meetings and the minutes are posted on the Board's state website, which can be found at: <https://dps.mn.gov/entity/pdb/Pages/default.aspx>

Regulatory Statutes

The Minnesota Board of Private Detectives regulates the private detective and security industry through Minnesota Statutes 326.32-326.339 and Administrative Rules 7506.0100 –7506.2900. There have been no rules proposed or adopted during FY2019-FY2020.

Board Powers and Duties

Per MN Statute 326.3311 the Board has the following powers and duties:

- (1)** To receive and review all applications for private detective and protective agent licenses;
- (2)** To approve applications for private detective and protective agent licenses and issue, or reissue licenses as provided in sections [326.32](#) to [326.339](#);
- (3)** To deny applications for private detective and protective agent licenses if the applicants do not meet the requirements of sections [326.32](#) to [326.339](#); upon denial of a license application, the board shall notify the applicant of the denial and the facts and circumstances that constitute the denial; the board shall advise the applicant of the right to a contested case hearing under chapter 14;
- (4)** to enforce all laws and rules governing private detectives and protective agents; and
- (5)** to suspend or revoke the license of a license holder or impose a civil penalty on a license holder for violations of any provision of sections [326.32](#) to [326.339](#) or the rules of the board.

BUDGET INFORMATION: *All revenues received are deposited in the general fund (M.S. 214.07 subd 1, clause C)*

	<u>FY 2021</u>	<u>FY 2022</u>	<u>Biennium</u>
Total Appropriations	\$277,000	\$282,000	\$559,000
Total non-dedicated fee receipts	\$194,523	\$211,585	\$406, 108
Total disbursements	\$215,529	\$238,015	\$453,544

Agency Core Functions

- **Processing of Applications**

- Currently MN statutes 326.332-326.339 require an extensive application process. This includes verification of a large volume of information submitted by the applicant, a background investigation, and a review by the Board. The qualifications include, but are not limited to:
 - Verification of information provided on application
 - 6000 hours of documented related work experience
 - Proof of Financial Responsibility
 - \$10,000 surety bond
 - BCA Statewide Background Check
 - Personal and Work References
 - Possible Interview with the Board

- **Processing of Officer Changes**

- An officer change is when a corporate license holder is replacing one of its four officer positions; CEO, CFO, Qualified Representative and Minnesota Manager. The incoming officer must submit an application to our agency. This is similar to the application process listed above.

- **Processing of Renewals**

- Every two years a license holder must submit a renewal application. This application is reviewed to ensure the license holder is meeting statutory compliance. This compliance includes, but is not limited to, obtaining required training – for both armed and unarmed services, has proof of financial responsibility, has a current bond in place, passes a background check, and has no outstanding issues. The license holder verifies on an affidavit that each employee received required training, had a background check completed, and was issued a proper ID.

- **Complaints**

- These include allegations that require research to verify facts and determine culpability. This research is presented to a Complaint Committee that may refer the matter to the Board. At that time the Board may determine disciplinary action. All suspensions, revocations and penalties in excess of \$499 are subject to Office of Administrative Hearings.

- **Certification of Training Instructors and Programs**

- License holders and their employees are required to have initial preassignment training, as well as continuing education hours annually. If it is a protective agent license and they are armed, there is additional armed training required. In order to get certified by the Board trainers submit an application that outlines the courses they plan on teaching and proof that the instructor themselves are qualified. The renewal period for certified training courses is (2) years, at which time the courses need to be renewed again.

- **Assist Law Enforcement in the Investigation of Unlicensed Activity**

- Unlicensed entities pose a potential serious threat to the public in terms of public safety and consumer protection. There is no oversight into their training, background, qualifications, experience, proof of financial responsibility, business registration with the state, and tax compliance.

- **Responding to Inquiries**

- As with many state agencies we need to be able to provide information to those requesting it. These include, but are not limited to, the public, law enforcement, businesses and other state agencies.

Additional tasks include providing support to law enforcement and government agencies, preparing for and facilitating monthly Board meetings, requested research and reports, management of the budget, acting on behalf of the Board at court hearings and events, working on legislative proposals, and management of databases. All application, renewal and officer change documentation is in hardcopy format, which is reviewed and stored manually.

Types of Private Investigation Services:

- Elder Abuse
- Identity Theft
- Cyber Crime
- Insurance Fraud
- Accident / Reconstruction
- Background Checks
- Bug Sweep / TSCM
- Child Support / Custody
- Civil Litigation Support
- Corporate Investigations
- Crime Scene Analysis
- Criminal Defense
- Missing Persons/Children
- Crimes Against Children
- Computer Forensics
- Workers Compensation
- Arson Investigations
- Wrongful Death
- Counterfeiting
- Due Diligence Research
- Electronic Data Discovery
- Electronic Surveillance
- Financial Investigations
- Judgment Recovery
- Employee Theft
- Sexual Harassment
- Mortgage Fraud
- Trial Preparation
- People Locate
- Polygraph
- Process Service
- Public Records
- Surveillance
- Under Cover
- Asset Search
- K-9 Narcotics & Explosive Detection

Types of Protective Agents Services:

- School Safety and Security
- Hospital Security
- Uniform Guard and Patrol Services
- Nuclear Security
- Terrorism Deterrence & Detection
- Loss Prevention
- Armored Car Services
- Event Security
- Executive Protection
- Security Assessments
- Workplace Violence
- Transportation Security

Areas Protected by Private Security:

- Airports
- Chemical Facilities
- Commercial Facilities
- Communications Centers
- Critical Manufacturing
- Dams
- Defense Industrial Base
- Energy Facilities
- Financial Services
- Nuclear Reactors, Materials, and Waste
- Food and Agriculture
- Government Facilities
- Healthcare and Public Health
- Information Technology
- Nuclear Reactors, Materials, and Waste
- Transportation Systems
- Critical Infrastructure

- Water and Wastewater Systems
- Courthouses
- Educational Facilities
- National Labs
- Military Bases
- National Monuments
- Sports Leagues
- Outdoor Events

Responsibilities of Private Detectives and Protective Agents

Private investigation and security entities are increasing their role and responsibility in our communities and provide key support to government public safety efforts. These professionals are involved in matters of crime prevention, civil disputes, personal and business protection, and investigation into crime that might otherwise go unaddressed. There has been a significant increase in work place crime, an increase in community fear of crime, and an increased awareness of the use of private security and its cost effectiveness. Reports show that:

- The ratio of private security to public law enforcement averages **3 to 1**
- In downtown Minneapolis the ratio is estimated at **13 to 1**
- More than **50%** of response to crime on private property is from private security.
- It is estimated that more than **85%** of our country’s **critical infrastructure** is protected by security personnel
- Security professionals are increasingly on the front line on police calls and **terrorist related incidents**.

Current Fee Structure:

NEW LICENSE		REISSUANCE EVERY 2 YEARS	
Private Detective		Private Detective	
Individual	\$1,000.00	0-1 Employees	\$ 540.00
Partnership	\$1,700.00	2 to 10 Employees	\$ 710.00
Corporation/LLC	\$1,900.00	11 to 25 Employees	\$ 880.00
		26 to 50 Employees	\$1,050.00
		51 or more employees	\$1,220.00
Protective Agent		Protective Agent	
Individual	\$800.00	0-1 Employees	\$ 480.00
Partnership	\$1,600.00	2 to 10 Employees	\$ 650.00
Corporation/LLC	\$1,800.00	11 to 25 Employees	\$ 820.00
		26 to 50 Employees	\$ 990.00
		51 or more employees	\$1,160.00

Industry Numbers

Our agency currently is responsible for the regulating and providing oversight for 383 license holders (2022.) With the increase in license holders the responsibilities in terms of the Key Services of the Agency have grown exponentially.

- This includes **202 private investigative and 181 protective agent** license holders.
- There are over **13,000 investigative and security employees** in the State of Minnesota. As part of their renewal, license holders that employ investigative and security personnel are required to complete an affidavit that states each employee received required training, had a background check completed, and was issued a proper ID.

- Currently the agency certifies more than **230** training providers that are representative of more than **1,500** approved training courses

CODE	TYPE OF INVESTIGATION
C	Complaint on a current license holder
V	Violation of statute or rule either found by agency staff or reported to agency staff
R	Issues found during a renewal
A	Background investigation on an applicant
U	Unlicensed activity either found by agency staff or reported to agency staff

Fiscal Year 2021-2022 Statistics

	FY 2021	FY 2022
Private Detective Licenses Granted	12	10
Protective Agent Licenses Granted	24	17
Applications NOT Approved	1	1
Officer Changes Approved	13	21
License Renewals Granted	111	100
Licenses Surrendered	13	15
Licenses Expired	0	23
Training Courses Approved	61	74
Training Instructors Approved	32	37
Letters of Education and Conciliation Issued	22	31
Administrative Penalties Levied	8	3
Dollar Amount of Penalties Levied	\$ 12,668.00	\$ 12,249.00

Investigations Aging Report FY2021-FY2022

12/12/2022	CLOSED	Ramsey County Acting Commander called on Lo, Long Lance
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10/25/2022	CLOSED	Antijuan Beeks stated the following are not complying with state statutes-unlicensed activity.
9/27/2022	ACTIVE	A LT from Mpls PD called asking if Men in Black were licensed. They are currently working in downtown MPLS as well as other areas.
9/8/2022	CLOSED	Private detective is using her license to gain ex boyfriends current girlfriend information for her personal gain.
9/6/2022	Active	Possible unlicensed security company. Also employing gang members from MS 13.
8/3/2022	CLOSED	Unlicensed activity-background checks, preassignment, firearms trning, vehicles not marked, OC but not certified to carry it.
7/21/2022	CLOSED	Possible unlicensed activity. Employees sent to job sites without having completed BCA background checks or completing unarmed or armed training in initial 21 days of employment (preassignment training)
6/1/2022	CLOSED/Info only	Tamika calls in every few months leaving a ranting vm. She claims she has a military background and is from UC7 Private Investigations. She cannot get licensed due to covert operations, being spied upon, and corrupt law enforcement officials. In the past she was referred to BCA for a complaint against their agency. As of this date, she called us with a complaint against her neighbors for "all crimes." She called into BCA Fusion center who in turn contacted and referred call to Crystal PD.
5/24/2022	CLOSED	anonymous citizen mailed a letter that said Pinkerton Inc is not licensed to do security work in MN. Pinkerton does have active license PDC 840 No way to follow up and obtain additional information from anonymous complainant
5/24/2022	REFERRED	Pub Def Amy Kantorowicz (Stearns County) shared a Linked In page of Dr Shawn Schooley advertising for private investigations work. Info shared with St Cloud PD Chief

2/4/2022	CLOSED	Possible unlicensed activity
1/24/2022	CLOSED	Assault from security guard
1/3/2022	CLOSED	Possible unlicensed activity - advertising
11/15/2021	CLOSED	Possible unlicensed activity
10/5/2021	REFERRED	Possible unlicensed activity
9/17/2021	CLOSED	Background check violations
9/7/2021	REFERRED	License holder misconduct
8/16/2021	REFERRED	Possible unlicensed activity
7/30/2021	REFERRED	Unlicensed activity found on FB for We Fest, after application was denied in 2019
7/19/2021	REFERRED	Possible unlicensed activity, media inquiry
7/15/2021	CLOSED	No background checks conducted on employees or proper training for armed employees
7/14/2021	REFERRED	Possible unlicensed activity - employee
7/1/2021	REFERRED	Unlicensed entity providing services in Minneapolis
7/1/2021	REFERRED	Unlicensed entity providing services in Minneapolis
6/30/2021	REFERRED	Unlicensed activity , inquiry from FBI
6/24/2021	CLOSED	Convicted felon is providing security services for a license holder
6/3/2021	ACTIVE	License holder is not training, conducting background checks or issuing accurate and correct identification cards
3/16/2021	ACTIVE	Trainer has no mechanisms in place to ensure students are receiving the full 12 hours of required preassignment training
3/16/2021	CLOSED	State auditor for the Line 3 Pipeline project was checking on site and found an employee without an ID card
3/11/2021	CLOSED	State auditor for the Line 3 Pipeline project was checking on site and found an employee without an ID card
3/11/2021	CLOSED	State auditor for the Line 3 Pipeline project was checking on site and found an employee without an ID card
2/22/2021	CLOSED	License holder is not providing proper training or issuing ID cards to employees

2/16/2021	CLOSED	License holder possibly obtaining personal information illegally
1/30/2021	CLOSED	License holder employees possibly engaging in labor strikes
1/4/2021	CLOSED	Employee of license holder had an encounter with law enforcement while on duty. The employee was using red flashing lights and was armed with a firearm. Through a law enforcement follow-up investigation, it was found that he did not have an active permit to carry and has since been charged with a felony

Conclusion:

This industry provides services that include armed personnel as well as individuals that obtain information that can have a significant effect on not only businesses, but personal lives as well. These services have a substantial impact on **public safety** and **consumer protection**. As such, this industry needs critical oversight.

For more information regarding our agency and industry please do not hesitate to contact me.

Sincerely,

Katherine McRae White

Executive Director

Minnesota Board of Private Detective and Protective Agent Services

Kate.White@State.MN.US

(651) 793-2669