

Support SB 13-259
Mandatory Regulation of Private Investigators

Senator Linda Newell
 Representative Jovan Melton

Background:

In 2011, voluntary licensure of private investigators succeeded. This allowed for (1) the consumer to have a choice between a vetted, licensed professional and a non-vetted person, (2) the licensed PIs to be eligible for more jobs because **all federal contracts and 45 other states require private investigators to be licensed**, and (3) a modicum of legitimacy when coming to stakeholder conversations regarding issues that affect the PI industry.

Trying to strike a balance within the industry and legislators, PIs were not mandated to obtain a license. So, there needed to be a minimum number of PIs that applied for a license in order for the cash-funded program to remain fiscally stable. To date, there are not enough participants, and the program is facing repeal. The lack of participation was a combination of factors. We have worked with DORA to satisfy all their requests for mandatory regulation.

What the bill does:

For the best form of consumer protection and align Colorado with 45 other states, this bill:

- Requires that all private investigators in Colorado to register with DORA
- More clearly defines the prerequisites of obtaining a license
- Creates a small bonding requirement for PIs
- **In Judiciary committee, the bill was amended to have mandatory registration of PIs, eliminate apprentice program, and include jurisprudence exam.**

Why this bill is important and needed:

- Without this bill, there will be **no consumer protection** in Colorado.
- Persons who have **no background check** will be conducting surveillance, including around children.
- People with **little to no training** will be handling at-risk persons' cases such as sex assault victims and child abuse victims.
- **Un-vetted people** will be hired to obtain sensitive information.

No Fiscal Impact:

This is a cash-funded program with no fiscal impact on the state.

Supporters:

Colorado Criminal Defense Bar
 CO Coalition Against Domestic Violence
 Professional Private Investigators Association of CO
 National Council of Investigative and Security Services
 CO Coalition Against Sexual Assault

Process Servers Association of CO
 Office of Alternate Defense Counsel
 Professional Bail Agents of Colorado
 World Association of Detectives

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**Excerpts from the Department of Regulatory Agencies
2011 Sunrise Review: Private Investigators**

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Regulation in Other States

“According to the sunrise application, 44 states have state laws that regulate PIs. The only states that do not have state laws to regulate PIs are: Alabama, Alaska, Colorado, Idaho, Mississippi, and Wyoming. However, there is municipal regulation in at least three of these states: Alabama, Alaska, and Colorado.”

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“...PIs should be regulated by the State of Colorado and be required to possess either a surety bond or errors and omissions insurance. PIs should also be required to pass a jurisprudence examination, which will test a candidate’s knowledge on current Colorado laws that are relevant to the PI profession. Providing regulatory oversight will enhance consumer protection as well as provide an avenue of recourse for consumers who have been harmed financially by PIs.”

“Recommendation- Regulate Private Investigators and require either a surety bond or errors and omissions insurance and passage of a jurisprudence examination.”