



SENATE BILL 424: Private Protective Services Licensing Modifications.

2021-2022 General Assembly

Committee:		Date:	July 27, 2022
Introduced by:		Prepared by:	Bill Patterson Staff Attorney
Analysis of:	S.L. 2022-66		

OVERVIEW: *S.L. 2022-66 makes a number of changes to the law regulating the private protective services profession. The act has various effective dates. Please see the full summary for more details.*

CURRENT LAW: Under Chapter 74C of the General Statutes, the Private Protective Services Board (Board) regulates "private protective services professions," which are defined as including the following professional categories:

- Armored car profession
- Courier service profession
- Detection of deception examiner
- Electronic countermeasures profession
- Security guard and patrol profession
- Guard dog service profession
- Private detective or private investigator
- Special limited guard and patrol profession

The category of "private detective or private investigator" currently is defined to include persons employed to protect individuals from serious bodily harm or death.

Persons who carry a firearm while providing private protective services duties must apply for and receive a registration permit issued upon the Board receiving satisfactory evidence that the applicant has met all statutory requirements, including completion of a Board-approved training course, and that the applicant is mentally and physically capable of handling a firearm within the guidelines set forth by the Board and the Secretary of Public Safety.

BILL ANALYSIS:

Section 1 of the act:

- Removes persons employed to protect individuals from serious bodily harm or death from the "private detective or private investigator" professional category.
- Amends the definition of "private protective services profession" to include two new categories:
 - "Close personal protection," defined as the provision of security measures ensuring the safety of persons who can be exposed to elevated personal risk because of their employment, status, wealth, associations, or geographical location.
 - "Digital forensics examination," defined as providing examination of digitally stored data using software to recover, image, analyze, or examine the data for use in any criminal, civil, or administrative proceeding.

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- Amends the definition of "electronic countermeasures profession" to include persons who, for a fee, discover, locate, or disengage by electronic, electrical, or mechanical means any device intended to block the transmission of an electronic signal.
- Provides that persons who contract with an occupational licensing board, while performing an investigation solely for that board, are not deemed to be providing "private protective services."
- Authorizes the Board to:
 - Investigate unlicensed activity and issue cease and desist letters, with the concurrence of the Secretary of Public Safety.
 - Deal with real property in the same manner as a private person or corporation, subject to the approval of the Governor and Council of State.
 - Adopt rules for the use of firearms or other weapons.
- Provides that the Secretary of Public Safety retains disciplinary authority over a person under investigation or charged for violations of Chapter 74C, even if the person's license or registration has lapsed or has been surrendered.
- Increases, from 30 days to 90 days, the time a business has to appoint a substitute qualifying agent.
- Reduces, from three months to 30 days, the additional time the Board can give a business to appoint a substitute qualifying agent.
- Requires an applicant to pay the initial license fee and required contribution to the Private Protective Services Education Fund ("Fund") within 90 days from receipt of notice of pending licensure approval, unless the Board, after a hearing, allows an additional 30 days for good cause upon the applicant's request.
- Modifies the list of criminal convictions that are prima facie evidence that an applicant lacks good moral character or temperate habits to:
 - Include conviction of a crime involving the illegal use, carrying, or possession of a deadly weapon, or involving misdemeanor assault.
 - Removes an obsolete reference to "offenses involving moral turpitude."¹
- Clarifies that the Board's authority to impose an application fee for issuance or renewal of a firearm registration permit applies to all applicants and licensees subject to G.S. 74C-13.
- Authorizes the Board to impose a late fee of up to \$100 for untimely appointment by a business of a substitute qualifying agent, or for untimely payment of an applicant's licensing fee and Fund contribution.
- Permits a licensee to provide liability insurance coverage for a trainee supervised by the licensee.
- Provides that for the duration of a declared disaster or state of emergency, a licensee can employ a person properly registered or licensed in another state as an armed security guard, provided that the person has completed the approved basic training course administered by a certified trainer and has been qualified by a Board-certified firearms instructor based on the firearm the person intends to carry.

¹ Occupational licensing boards are statutorily prohibited from using conviction for a crime of moral turpitude as the basis for denying a license. G.S. 93B-8.1(b) (enacted by Session Law 2019-91, s. 4).

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- Extends the Board's denial, suspension, and revocation powers to include trainees, and make violation of any State or federal firearms law grounds for denial, suspension, or revocation.
- Modifies provisions relating to firearm registration permits to:
 - Require any proprietary security organization to register any employee carrying a firearm within 30 days of employment.
 - Require any proprietary security organization that employs an armed security guard to apply to the Board for a license and to renew the license every two years.
 - Define the term "armed armored car guard" as an employee of a contract armored car company whose principal duty is as an armored car service guard and who possesses a firearm at any time in the performance of duty.
 - Authorize the Board to suspend, revoke, or deny a firearm registration permit if the holder or applicant has been convicted of any crime set forth in G.S. 74C-8(d).
 - Authorize the Director of the Board to summarily suspend a firearm registration permit pending resolution of any charges for any offense set forth in G.S. 74C-12 or any crime set forth in G.S. 74C-8(d).
 - Provide that the Board must not knowingly issue a firearm registration permit to an individual prohibited by federal or State law from possessing a firearm.
- Exempts the following persons from firearms training requirements:
 - Basic Law Enforcement Training (BLET) graduates who have completed one year of employment.
 - Sworn law enforcement officers who are retired or separated in good standing within three years prior to application, if their duty included firearm use and qualification.
 - Honorably discharged military personnel whose military occupational specialty included Military Police or Criminal Investigative Division within three years of applying for licensure.
 - Nuclear power plant security personnel required to comply with federal weapons training and qualification.
- Provides that the civil penalty of up to \$2,000 imposable by the Board for violation of Chapter 74C is "per violation."
- Requires the transferee of ownership or control of a business licensed under this Chapter to provide the Director of the Board with a list of all registrants and licensees affected by the transfer within 10 calendar days prior to the effective date of the transaction.
- Modifies existing statutory language to make it gender neutral.

Section 2 of the act exempts private investigators licensed on or before December 31, 2021, and private investigator trainees permitted on or before December 31, 2021, from the new provisions governing the "close personal protection" category of private personal protective professions, and permits these persons to continue to provide services for the protection of individuals from serious bodily harm, provided that this exemption is indicated by an endorsement on their existing license or permit.

Section 3 permits armed security guards to carry weapons into assemblies and establishments where alcoholic beverages are sold and consumed.

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EFFECTIVE DATE: Section 1 of the act becomes effective October 1, 2022. Section 2 of the act becomes effective January 1, 2023, and applies to licenses and permits granted on or after that date. Section 3 of the act becomes effective December 1, 2022, and applies to offenses committed on or after that date.

** Nicholas Giddings, Staff Attorney with the Legislative Analysis Division, substantially contributed to this summary.*