

State of Arizona  
Senate  
Fiftieth Legislature  
Second Regular Session  
2012

# SENATE BILL 1318

AN ACT

AMENDING SECTION 32-2401, ARIZONA REVISED STATUTES; RELATING TO PRIVATE INVESTIGATORS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 32-2401, Arizona Revised Statutes, is amended to  
3 read:

4 32-2401. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Advertising" means the submission of bids, contracting or making  
7 known by any public notice, publication or solicitation of business, directly  
8 or indirectly, that services regulated under this chapter are available for  
9 consideration.

10 2. "Agency license" means a certificate that is authenticated by the  
11 department and that attests that a qualifying party is authorized to conduct  
12 the business of private investigations in this state.

13 3. "Applicant" means a person who has submitted a completed  
14 application and all required application and fingerprint processing fees.

15 4. "Associate" means a person who is a partner or corporate officer in  
16 a private investigation agency.

17 5. "Board" means the private investigator and security guard hearing  
18 board established by section 32-2404.

19 6. "Conviction" means an adjudication of guilt by a federal, state or  
20 local court resulting from trial or plea, including a plea of no contest,  
21 regardless of whether the adjudication of guilt was set aside or vacated.

22 7. "Department" means the department of public safety.

23 8. "Director" means the director of the department of public safety.

24 9. "Emergency action" means a summary suspension of a license pending  
25 revocation, suspension or probation in order to protect the public health,  
26 safety or welfare.

27 10. "Employee" means an individual who works for an employer, is listed  
28 on the employer's payroll records and is under the employer's direction and  
29 control.

30 11. "Employer" means a person who is licensed pursuant to this chapter,  
31 who employs an individual for wages or salary, who lists the individual on  
32 the employer's payroll records and who withholds all legally required  
33 deductions and contributions.

34 12. "Identification card" means a card issued by the department to a  
35 qualified applicant for an agency license, an associate or a registrant.

36 13. "Insurance adjuster" means a person other than a private  
37 investigator who, for any consideration, engages in any of the activities  
38 prescribed in the definition of private investigator in this section in the  
39 course of adjusting or otherwise participating in the disposal of any claim  
40 under or in connection with a policy of insurance.

41 14. "Letter of concern" means an advisory letter to notify a private  
42 investigator that while there is insufficient evidence to support probation  
43 or suspension or revocation of a license the department believes the private  
44 investigator should modify or eliminate certain practices and that  
45 continuation of the activities that led to the information being submitted to

1 the department may result in further disciplinary action against the private  
2 investigator's license.

3 15. "Licensee" means a person to whom an agency license is granted  
4 pursuant to this chapter.

5 16. "Private investigator" means a person other than an insurance  
6 adjuster or an on-duty peace officer as defined in section 1-215 who, for any  
7 consideration, engages in business or accepts employment to:

8 (a) Furnish, agree to make or make any investigation for the purpose  
9 of obtaining information with reference to:

10 (i) Crime or wrongs done or threatened against the United States or  
11 any state or territory of the United States.

12 (ii) The identity, habits, conduct, movements, whereabouts,  
13 affiliations, associations, transactions, reputation or character of any  
14 person or group of persons.

15 (iii) The credibility of witnesses or other persons.

16 (iv) The whereabouts of missing persons, owners of abandoned property  
17 or escheated property or heirs to estates.

18 (v) The location or recovery of lost or stolen property.

19 (vi) The causes and origin of, or responsibility for, a fire, libel,  
20 slander, a loss, an accident, damage or an injury to real or personal  
21 property.

22 (b) Secure evidence to be used before investigating committees or  
23 boards of award or arbitration or in the trial of civil or criminal cases and  
24 the preparation therefor.

25 (c) Investigate threats of violence and provide the service of  
26 protection of individuals from serious bodily harm or death.

27 (d) ACCESS RECORDS OF THE DEPARTMENT OF TRANSPORTATION OR PROCESS  
28 EVIDENCE OR TRAFFIC COMPLAINTS PURSUANT TO TITLE 28, CHAPTER 5 IF THE PERSON  
29 IS EMPLOYED BY AN ENTITY THAT PROVIDES PHOTO ENFORCEMENT SYSTEM SERVICES TO  
30 THIS STATE OR A POLITICAL SUBDIVISION OF THIS STATE. FOR THE PURPOSES OF  
31 THIS SUBDIVISION, "PHOTO ENFORCEMENT SYSTEM" HAS THE SAME MEANING PRESCRIBED  
32 IN SECTION 28-601.

33 17. "Qualifying party" means the individual meeting the qualifications  
34 under this chapter for an agency license.

35 18. "Registrant" means an employee of a licensed agency qualified to  
36 perform the services of the agency.

37 19. "Registration certificate" means a certificate that is  
38 authenticated by the department and that attests that an employee of a  
39 business holding an agency license has satisfactorily complied with article 3  
40 of this chapter.

41 20. "Restructuring" means any change in a business' legal status.

42 21. "Unprofessional conduct" means any of the following:

43 (a) Engaging or offering to engage by fraud or misrepresentation in  
44 activities regulated by this chapter.

- 1           (b) Aiding or abetting a person who is not licensed pursuant to this  
2 chapter in representing that person as a private investigator in this state.  
3           (c) Gross negligence in the practice of a private investigator.  
4           (d) Failing or refusing to maintain adequate records and investigative  
5 findings on a client. For THE purposes of this subdivision, "adequate  
6 records" means records containing, at a minimum, sufficient information to  
7 identify the client, the dates of service, the fee for service, the payments  
8 for service, the type of service given and copies of any reports that may  
9 have been made.  
10          (e) Committing a felony or a misdemeanor involving any crime that is  
11 grounds for denial, suspension or revocation of a private investigator  
12 license or employee identification card. In all cases, conviction by a court  
13 of competent jurisdiction or a plea of no contest is conclusive evidence of  
14 the commission.  
15          (f) Making a fraudulent or untrue statement to the department, the  
16 board or its investigators, staff or consultants.