

BEFORE THE BOARD OF PRIVATE SECURITY  
DEPARTMENT OF LABOR AND INDUSTRY  
STATE OF MONTANA

In the matter of the amendment of ARM )  
24.182.101 organization, 24.182.201 )  
procedural rules, 24.182.202 public )  
participation, 24.182.301 definitions, )  
24.182.401 fee schedule, 24.182.403 )  
identification pocket card, 24.182.405 )  
insurance and surety bond )  
requirements, 24.182.407 regulations of )  
uniform, 24.182.420 qualification of )  
firearms for armed endorsement, )  
24.182.421 requalification required )  
annually, 24.182.501 required )  
information for application, 24.182.504 )  
military training or experience, )  
24.182.505 written examination, )  
24.182.507 temporary practice permit, )  
24.182.511 private investigator trainee, )  
24.182.520 certified firearms instructor, )  
24.182.525 company licensure and )  
branch offices, 24.182.801 firearms )  
training courses; the adoption of new )  
rules I private investigator training )  
program, II private security guard )  
training program, III security alarm )  
installer training program, IV alarm )  
response runner training program, V )  
standards for continuing education, VI )  
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requirements, VII non-approved )  
activities, VIII auditing of continuing )  
education hours, IX inactive status and )  
conversion to active status, X alarm )  
response runner, XI private investigator, )  
XII private security guard, XIII process )  
server, XIV resident manager, XV )  
security alarm installer, XVI nonroutine )  
applications; and the repeal of ARM )  
24.182.503 experience requirements )

NOTICE OF PUBLIC HEARING ON  
PROPOSED AMENDMENT,  
ADOPTION, AND REPEAL

TO: All Concerned Persons

1. On July 18, 2017, at 10:00 a.m., a public hearing will be held in the Large Conference Room, 301 South Park Avenue, 4th Floor, Helena, Montana, to consider the proposed amendment, adoption, and repeal of the above-stated rules.

2. The Department of Labor and Industry (department) will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing or need an alternative accessible format of this notice. If you require an accommodation, contact the Board of Private Security (board) no later than 5:00 p.m., on July 11, 2017, to advise us of the nature of the accommodation that you need. Please contact Steve Gallus, Board of Private Security, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; telephone (406) 841-2370; Montana Relay 1 (800) 253-4091; TDD (406) 444-2978; facsimile (406) 841-2305; or dlibsdp@mt.gov (board's e-mail).

3. The rules proposed to be amended are as follows, stricken matter interlined, new matter underlined:

24.182.101 ORGANIZATION (1) The Board of Private Security ~~patrol officers and investigators hereby~~ adopts and incorporates the organizational rules of the Department of Labor and Industry as listed in chapter 1 of this title.

AUTH: 2-4-201, ~~37-60-202~~, MCA  
IMP: 2-4-201, MCA

REASON: The board is amending ARM 24.182.101, 24.182.201, and 24.182.202 to consistently refer to the board by its correct name, per 37-60-101 and 2-15-1781, MCA. Authority citations are being amended to accurately reflect the statutory sources of the board's rulemaking authority.

24.182.201 PROCEDURAL RULES (1) The Board of Private Security ~~patrol officers and investigators hereby~~ adopts and incorporates the procedural rules of the Department of Labor and Industry as listed in chapter 2 of this title.

AUTH: 2-4-201, ~~37-60-202~~, MCA  
IMP: 2-4-201, MCA

24.182.202 PUBLIC PARTICIPATION (1) The Board of Private Security ~~patrol officers and investigators hereby~~ adopts and incorporates the public participation rules of the Department of Commerce as set out in chapter 2 of ARM Title 8.

AUTH: 2-4-201, ~~37-60-202~~, MCA  
IMP: 2-3-103, MCA

24.182.301 DEFINITIONS (1) "Direct supervision"; regarding private investigator trainees, and temporary practice permit holders means daily contact between supervisor and trainee or temporary practice permit holder while engaged

in an investigation the performance of licensed duties, including one in-person, face-to-face meeting per week.

(2) and (3) remain the same.

(4) "Retail merchant" as used in 37-60-105, MCA, means a person who operates a store and sells goods to individuals solely for their own use.

(5) "Weapon" as used in 37-60-405, MCA, means a firearm.

AUTH: ~~37-1-131~~, 37-60-202, MCA

IMP: 37-60-101, ~~37-60-103~~, 37-60-105, 37-60-202, 37-60-303, 37-60-405, MCA

REASON: The board determined it is reasonably necessary to amend (1) to address questions by clarifying that temporary practice permit holders must also be directly supervised and also to align with proposed changes to ARM 24.182.507. The board is amending (4) to clarify the source of the term "retail merchant" in providing context to the reader.

Additionally, it is necessary to define "weapon" in (5) to clarify the relationship of multiple terms used in statute. In particular, 37-60-101(2), MCA, defines "armed" as wearing, carrying, or possessing a firearm. Meanwhile, 37-60-405, MCA, refers to "weapons" when stating what armed licensees may carry. Reading both statutes together, it is clear that only a firearm constitutes a weapon for the purposes of Title 37, chapter 60, MCA.

Authority and implementation citations are being amended to accurately reflect all statutes implemented through the rule and provide the complete sources of the board's rulemaking authority.

24.182.401 FEE SCHEDULE (1) and (2) remain the same.

(3) Inactive license renewal fees are as follows:

(a) Contract security companies, proprietary security organizations, and electronic security companies:

(i) Company	100
(ii) Resident manager	62.50
(iii) Security guard, alarm installer, or alarm response runner	50
(iv) Branch office	50
(b) Private investigator	87.50
(c) Private investigator trainee	50
(d) Process server	50
(e) Certified firearms instructor	62.50

~~(3)~~ (4) Miscellaneous fees are as follows:

(a) Photo ID card (~~original lost or destroyed~~ replacement) 20

(b) and (c) remain the same.

~~(d) Changes of supervisor or address~~ 10

~~(e) Training program certification application~~ 50

(4) through (7) remain the same but are renumbered (5) through (8).

AUTH: 37-1-134, 37-60-202, MCA

IMP: 25-1-1104, 37-1-134, 37-1-141, 37-60-202, 37-60-304, MCA

REASON: The board determined it is reasonably necessary to amend this rule and establish fees for inactive status to align with proposed NEW RULE IX which creates an inactive license status and conversion to active status for its licensees. Licensees must still renew while on inactive status, but the fee is half the active license fee due to the limited staff time necessary to process and renew inactive licenses.

The board is amending (4)(a) to align with changes to ARM 24.182.403 requiring licensees to obtain new ID cards when employers change. Additionally, the board is deleting (4)(d) and (4)(e) to eliminate the fees to change supervisors or addresses, and to apply for training program certification. Licensees can now change addresses online, and will soon be able to do the same for supervisor information. There is no additional staff work for online changes and no need for additional fees.

Lastly, since companies apply for training program certification as part of the original license application, the board is eliminating that fee as those applications are processed jointly by department staff. The board estimates that the proposed fee changes will affect approximately 155 persons and decrease annual revenue by \$9,197.50.

24.182.403 IDENTIFICATION POCKET CARD (1) ~~Only one identification card shall be issued for each licensure category.~~ The licensee is responsible for the maintenance, custody, and control of the card, and shall not permit any unauthorized use of the card. If an identification card is altered in any way, it is invalid.

(2) and (3) remain the same.

(4) Persons licensed by the board who change employers must immediately notify the department to obtain new pocket identification cards naming the new employers.

AUTH: 37-60-202, MCA

IMP: 37-60-309, MCA

REASON: The board is currently considering a process change to print all license types held by a person or entity on a single identification pocket card. This change will reduce costs and provide greater convenience to licensees having more than one license. The board is amending (1) now to allow for this process change and because there is no reason to limit cards to a single license type.

Identification pocket cards identify both the licensees and their employers, since employment is required for licensure as alarm response runners, private security guards, and security alarm installers per 37-60-101, MCA. Because information on the cards is immediately out-of-date when a licensee's employment changes or terminates, the board concluded it is reasonably necessary to require that licensees update the information on record with the department immediately. The board believes this will help prevent licensees holding out-of-date identification cards from falsely representing their ability to practice private security to the public.

24.182.405 INSURANCE AND SURETY BOND REQUIREMENTS

(1) Persons regulated by Title 37, chapter 60, MCA, and licensed as follows shall file a yearly certificate of insurance with the board:

(a) remains the same.

~~(i) If licensed with armed status, private investigators shall be covered by liability for firearms coverage.~~

(b) and (c) remain the same.

~~(i) If licensed with armed status, employees of contract and proprietary security companies shall carry liability for firearms coverage.~~

(d) Certified firearms instructors (CFIs) shall maintain a minimum of \$500,000 occurrence form of commercial general liability which includes personal injury and errors and omissions coverage.

(2) Process servers shall maintain a surety bond in the amount of \$10,000 for an individual or \$100,000 for a firm. A levying officer may not levy on a judgment that exceeds the value of the bond.

(3) Private investigators with a firearms endorsement, CFIs, and contract and proprietary security companies who employ security guards with firearms endorsements must carry firearms liability coverage.

(2) remains the same but is renumbered (4).

~~(3)~~ (5) Each licensee shall sign a release requesting direct and authorize the insurance carrier to inform the board if the coverage or surety bond is canceled or allowed to lapse.

(6) Licensees must maintain the insurance coverage, surety bond, and firearms liability coverage required by this rule at all times of active licensure status or place their licenses on inactive status. Failure to carry current insurance during active licensure status is grounds for administrative suspension.

AUTH: 37-1-131, 37-60-202, MCA

IMP: 25-1-1111, 37-1-131, 37-1-321, 37-60-202, MCA

REASON: The board is amending and reorganizing this rule to house all insurance and surety requirements in a single location for clarity and ease of use, including relocating the CFI insurance requirements from ARM 24.182.520, and providing some of the statutory surety bond requirements for process servers at (2).

The board is also amending the catchphrase to more accurately reflect the content of this rule following the amendments.

The current rule requires that licensees sign releases requesting that insurance carriers inform the board when coverage is canceled or allowed to lapse. The board is amending (5) to more generally require that licensees direct and authorize their insurers to inform the board to more accurately reflect the actual process used in these situations and not require any specific form. The board concluded they do not need to direct the method for release, as insurance carriers may have their own policies governing the release of information to third parties.

The board determined that the inactive license status proposed in NEW RULE IX will allow licensees to temporarily suspend their practices and insurance coverage while still maintaining licensure and compliance with board regulations. The board is adding (6) to underscore the importance of the insurance and surety

bond requirements, clarify they are ongoing requirements necessary for continued licensure, and provide notice to licensees of the possible consequence of failing to comply with those requirements.

24.182.407 REGULATIONS OF UNIFORM (1) remains the same.

(2) A licensee required to wear a uniform while performing any duty regulated by Title 37, chapter 60, MCA, must have the uniform approved by the board or its designee.

(a) through (3) remain the same.

AUTH: ~~37-60-202~~, 37-60-407, MCA

IMP: 37-60-407, MCA

REASON: The board determined it is reasonably necessary to amend this rule to clarify that board staff may approve a licensee's proposed uniform as part of providing administrative services to the board. Requiring the board to actually review proposed uniforms unnecessarily delays the application process, and the rule provides clear guidelines to staff for this approval. Authority citations are being amended to accurately reflect the statutory sources of the board's rulemaking authority.

24.182.420 TYPE OF FIREARM QUALIFICATION OF FIREARMS FOR ARMED ENDORSEMENT (1) ~~Upon receipt of armed endorsement, a licensee is approved by the board to carry the firearm(s) with which the licensee is trained or qualified through a Montana POST certified instructor or a Montana licensed certified firearms instructor (CFI) and a board approved course. Private investigators and security guards seeking authorization to wear, carry, or possess a firearm in the performance of licensed duties shall submit a complete armed endorsement application, on a form prescribed by the department, and submit evidence of:~~

(a) satisfactory completion of a firearms training program taught by a board-certified firearms instructor (CFI) and approved by the board or its designee under ARM 24.182.801; and

(b) the firearm(s) the licensee qualified with, by passing a shooting proficiency test following completion of the firearms training program required by (a).

(2) Licensees issued an armed endorsement are approved to wear, carry, or possess the firearms they qualified with, in the performance of licensed duties.

AUTH: ~~37-1-131~~, 37-60-202, 37-60-303, MCA

IMP: 37-60-101, 37-60-202, 37-60-303, 37-60-405, MCA

REASON: Section 37-60-202(6), MCA, requires that the board adopt and enforce rules "for the approval of weapons." The current rule states that licensees are approved to carry firearms with an armed endorsement, but does not describe the process used to obtain the endorsement, which created confusion. The board concluded it is reasonably necessary to amend this rule to clearly state all requirements for obtaining an armed endorsement and approving firearms.

The board is adding (1)(a) to require that applicants/licenseses complete a firearms training program through a licensed CFI, and no longer allowing courses taught by Montana POST-certified instructors. The board concluded this amendment is reasonably necessary to implement the requirement in 37-60-303(5), MCA, that endorsement applicants must complete a "firearms training program certified by or satisfactory to the board." Allowing courses conducted by a Montana POST-certified instructor does not meet statutory requirements, since the board does not approve, certify, or assess any firearms training programs offered by Montana POST-certified instructors. Rather, the board's process of licensing CFIs and approving firearms training program curriculums is the only method available to the board to align with the statutory language.

The board is adding (1)(b) and (2) to clearly address how licensees obtain approval to carry particular firearms in the performance of licensed duties. ARM 24.182.801 states that firearms training courses must meet the objectives of firearm safety and shooting proficiency. However, ARM 24.182.420 does not expressly state that licensees must pass a shooting proficiency test with a specific type of firearm to be approved to carry it in the field. The board is amending this rule to more clearly link these related rules and clarify the relationships between completing a firearms training program, passing a shooting proficiency test, and receiving armed endorsement. Since 2012, the board has considered amending its approval process for firearms, from allowing a licensee to carry other firearms (beyond those trained with) to these proposed amendments. The board determined limiting the carrying of firearms to those trained with most directly meets the statutory intent of requiring a completed training program, and that these changes better protect the public considering differences that exist among types of firearms.

Authority and implementation citations are being amended to accurately reflect all statutes implemented through the rule and provide the complete sources of the board's rulemaking authority.

24.182.421 REQUALIFICATION REQUIRED ANNUALLY (1) Licensees with armed status shall requalify annually with a Montana POST-certified instructor or a Montana licensed certified firearms instructor (CFI) to maintain their firearm endorsement each year. Requalification will be based upon satisfactory completion of a board approved combat shooting course at least once during each year. In order to maintain armed status, private investigators and armed security guards shall submit the following information annually:

(a) a complete armed endorsement renewal application, on a form prescribed by the department; and

(b) written notice of the firearms the licensee requalified with, by passing a shooting proficiency test conducted by a POST-certified firearms instructor or board-certified CFI.

(2) Licensees issued a renewed armed endorsement are approved to wear, carry, or possess the firearms they requalified with, in the performance of licensed duties.

AUTH: 37-60-202, 37-60-303, MCA

IMP: 37-60-202, 37-60-303, 37-60-405, MCA

REASON: The board is amending this rule to align with amendments to ARM 24.182.420, and mirror the initial qualification process to ensure consistent application of the armed endorsement and firearms approval requirements. While the board determined allowing a Montana POST-certified instructor to teach a firearms training program for initial qualification does not meet the requirements of 37-60-303(5), MCA, they found no similar restrictions on the requalification of firearms. Because the primary component of firearm requalification is the shooting proficiency test, the board determined it is therefore more vital that a licensee receive the initial firearms training from a licensed CFI in a board-approved training program versus at requalification. Therefore, the board is amending this rule to clarify that the board will continue to allow licensees to requalify firearms training with either Montana POST-certified instructors or licensed CFIs.

Authority and implementation citations are being amended to accurately reflect all statutes implemented through the rule and provide the complete sources of the board's rulemaking authority.

24.182.501 REQUIRED INFORMATION FOR APPLICATION (1) Prior to granting any license, the board or its designee shall verify the statements made in applications for licensure as deemed necessary to protect the public health, safety, and welfare.

(2) ~~Each applicant shall provide:~~ application must be complete and submitted on a form prescribed by the department before a license can be issued or the application is ready for review by the full board as nonroutine under [NEW RULE XVII].

~~(a) the applicant's social security number;~~  
~~(b) one passport-type photo of the applicant; and~~  
~~(c) other pertinent information and documents the board may require to verify application information.~~

~~(3) An applicant may be required to pass an exam in each category for which licensure is sought.~~

~~(4) (3)~~ Fingerprints required under Title 37, chapter 60, MCA, shall be submitted to the Federal Bureau of Investigation and the Montana Department of Justice for examination. Final licensure is granted only following receipt and review of the Federal Bureau of Investigation report and any investigations thereof. A fingerprint report is valid for ~~one year~~ six months from date of receipt of the report from the Federal Bureau of Investigation.

~~(4)~~ Proof of employment, education, and training must be submitted with the application and may include transcripts, diplomas, seminar certificates, course completion certificates, payroll records or income tax returns if self-employed, employee verification, or other supporting evidence.

~~(5) An applicant for private investigator or resident manager must list the names and telephone numbers of three references not related to the applicant by blood or marriage. Two of the three references must be:~~

~~(a) former employers;~~  
~~(b) individuals or firms with which the applicant had a contractual working agreement if self-employed;~~



~~(c) individuals or firms having knowledge of the agreement or working relationship; or~~

~~(d) as determined acceptable by the board.~~

~~(6) Upon preliminary approval of an application for contract security companies, proprietary security organizations, electronic security companies, and private investigators, the applicant will have 60 days to provide proof of insurance per ARM 24.182.405 or the application will be closed.~~

~~(7) Prior to obtaining licensure as an armed or unarmed private security guard, applicants shall be required to submit proof of the applicant's employment with a licensed contract security company or proprietary security organization.~~

(5) An incomplete application will time out one year after the date it was initially submitted, and the applicant must reapply and pay a new application fee to be considered for licensure.

AUTH: 37-1-131, 37-60-202, MCA

IMP: 37-1-131, 37-60-303, 37-60-304, MCA

REASON: The board determined it is reasonably necessary to amend and streamline this rule to align with the department's standardized application procedures and provision of administrative services, and for better organization and clarity. Further, the board is proposing NEW RULES X through XV to locate licensure requirements in separate rules for each license type. Several provisions are being relocated from this general rule to those specific new rules, including requirements for examinations and insurance.

The board is amending (3) to provide that fingerprint reports are only valid for six months. Department staff recommended this change following a discussion with the Department of Justice that background check information is only accurate and current at the time that it is obtained. Therefore, the board concluded it is reasonably necessary to require updated background information that is older than six months to better ensure the public's protection.

The board is adding (4) to update the documentation acceptable to prove employment, education, and training. This change will align with other proposed amendments allowing employment opportunities to count towards licensure.

Implementation citations are being amended to accurately reflect all statutes implemented through the rule.

24.182.504 MILITARY TRAINING OR EXPERIENCE (1) and (2) remain the same.

(3) An applicant must submit satisfactory evidence of receiving military training, service, or education that is equivalent to relevant licensure requirements by the board of private security. ~~At a minimum, satisfactory~~ Satisfactory evidence shall include ~~includes:~~

(a) a copy of the applicant's military discharge document (DD 214 or other discharge documentation);

(b) through (4) remain the same.

AUTH: 37-1-145, MCA

IMP: 37-1-145, MCA

REASON: It came to the department's attention that certain military personnel (reservists and national guardsmen who have never been activated) in fact do not receive a DD 214 form upon their discharge from the military. Because the current rule may be interpreted to absolutely require a DD 214 from all applicants who wish to submit evidence of relevant military training, service, or education as part of the licensure process, the department has suggested that all boards amend the rule to allow each board to consider other evidence of military discharge in addition to or in lieu of a DD 214 form. The board is proposing to amend this rule to accommodate other discharge documents and align with the rest of the boards' rules.

24.182.505 WRITTEN EXAMINATIONS ~~(1) An applicant for licensure as a private investigator or a resident manager shall take and pass a written examination.~~

~~(2) (1)~~ If a written examination is required for licensure, applicants must achieve a minimum score of 70 percent ~~or more~~ on each part of the exam to pass.

~~(3) (2)~~ Examination fees are set by and payable directly to the examination administrator or vendor. Examinations may be administered at the board office or an off-site location approved by the board or its designee.

(3) In addition to the board's examination fee, a proctoring fee may apply and is set by and payable directly to the examination administrator or vendor.

(4) remains the same.

~~(5) Prior to taking the examination, applicants~~ Applicants must deposit with the proctor all electronic devices, books, notebooks and other papers prior to taking the examination. No applicant may remove any papers from the examination room.

(6) Process server examinations have a two-hour time limit and examinees may utilize the board-developed process server handbook.

(7) Private investigator and resident manager examinations have no time limit.

~~(6) (8)~~ Examination applicants must present photo identification and the notice of examination to be admitted to the examination.

(7) remains the same but is renumbered (9).

~~(8) (10)~~ The department Applicants shall schedule examinations by appointment with the examination administrator.

~~(9) Waiver of the examination requirement, or any portion thereof, may be granted at the board's discretion, following an applicant's submission of a written request for such waiver.~~

AUTH: 37-1-131, 37-60-202, MCA

IMP: 25-1-1104, 37-1-131, 37-60-303, MCA

REASON: The board is amending this rule to locate all general, standardized examination procedures in a single rule. The board is proposing NEW RULES X through XV to locate licensure requirements in separate rules for each license type and is relocating specific exam provisions to those new rules.

Given current technology, the board is amending (5) by adding electronic devices to those objects prohibited during examinations. The board concluded this

amendment is reasonably necessary because examinees might use such devices to locate exam answers.

The board determined it is reasonably necessary to amend (5)(a) and align with 25-1-1104, MCA, which requires the board publish a handbook for process servers and levying officers, and develop an examination based on the handbook. Due to the breadth of the information in the handbook, the board is proposing to allow process server applicants to utilize the handbook when taking the examination, but only within a two-hour time period. The amendments further clarify that all other board examinees have no examination time limit.

The board is amending (6) to require photo identification to sit for licensure exams. Following staff suggestion as a best practice, the board concluded that ensuring examinees' identity will help prevent fraud and further protect the public.

The board is amending (9) to delete provisions for examination waiver as no longer necessary. The board believes this amendment is reasonably necessary now since applicants are able to obtain temporary practice permits to practice before completing their examinations.

Implementation citations are being amended to accurately reflect all statutes implemented through the rule.

24.182.507 TEMPORARY PRACTICE PERMIT ~~(1) An applicant for any category of licensure, other than private investigator, who has met all requirements for licensure other than passage of the licensing examination, may apply for a temporary practice permit in accordance with 37-1-305, MCA, and subject to the following conditions:~~

~~(a) The permit holder may practice only under the direct supervision of an individual licensed:~~

~~(i) in good standing;~~

~~(ii) without pending or final disciplinary action; and~~

~~(iii) in the category for which the applicant seeks licensure.~~

~~(b) The supervising licensee is personally responsible for conduct of the temporary permit holder.~~

~~(2) Upon meeting the qualifications of this rule, the applicant may be issued a temporary practice permit by the board. For purposes of 37-1-305, MCA, the first license examination for which the applicant is eligible is an examination taken by the applicant no later than 60 days following temporary permit issuance.~~

~~(3) In performance of duties, temporary permit holders shall not:~~

~~(a) wear, carry, or possess firearms; or~~

~~(b) have unsupervised access to valuables.~~

(1) Except for a private investigator applicant or an armed endorsement applicant, the board authorizes the issuance of a temporary practice permit to an applicant meeting the requirements stated in 37-1-305, MCA.

(2) A person receiving a temporary permit must practice under direct supervision, as defined by ARM 24.182.301.

(3) A supervisor must hold a license issued by the board that is:

(a) unrestricted and in good standing; and

(b) the same license type sought by the temporary permit holder.

AUTH: 37-1-131, 37-1-319, ~~37-60-202~~, MCA

IMP: 37-1-305, 37-1-319, ~~37-60-302~~, ~~37-60-309~~, ~~37-60-310~~, MCA

REASON: The board determined it is reasonably necessary to amend this rule and clarify the issuance of temporary practice permits under 37-1-305, MCA. The statute authorizes temporary practice permits under two scenarios, only one of which is recognized in the board's current rule. The board concluded that it is appropriate to issue temporary permits in both scenarios. While not restating statutory language, the board is amending this rule to clarify that these permits are available to applicants licensed in other states with similar licensure requirements, or those with a complete application but for the examination. Lastly, the board is amending this rule to refer applicants to the definition of direct supervision at ARM 24.182.301, and remove (1)(b), after determining that 37-1-316, MCA, and ARM 24.182.2301 adequately address unprofessional conduct regarding supervising temporary practice permit holders.

Authority and implementation citations are being amended to accurately reflect all statutes implemented through the rule and provide the complete sources of the board's rulemaking authority.

24.182.511 PRIVATE INVESTIGATOR TRAINEE (1) remains the same.

~~(a) The application shall be:~~

~~(i) on a board-approved form; and~~

~~(ii) include a statement from a licensed private investigator:~~

~~(A) that the licensee will employ and provide direct supervision of the trainee;~~

and

~~(B) setting forth the scope of the trainee's duties and training.~~

(2) The application must comply with all of the requirements of ARM

24.182.501 and include a statement from a licensed private investigator:

(a) that the licensee will employ and provide direct supervision of the trainee, as defined in ARM 24.182.301; and

(b) setting forth the scope of the trainee's duties and training.

(2) remains the same but is renumbered (3).

~~(3)~~ (4) Employment and training of the trainee may not begin until:

(a) the board or its designee has approved the application; and

(b) remains the same.

(4) through (7) remain the same but are renumbered (5) through (8).

(9) Trainees must complete a training program required by [NEW RULE I].

AUTH: 37-1-131, 37-60-202, MCA

IMP: 37-1-131, 37-60-202, MCA

REASON: The board determined it is reasonably necessary to amend and streamline this rule to align with the department's standardized application procedures and for better organization and clarity. Because the board is proposing amendments in this notice to locate specific licensure requirements in separate new rules for each license type, the board is relocating general provisions from this rule to ARM 24.182.501.

The board is adding (9) to align with training program requirements set forth in proposed NEW RULE I.

24.182.520 REQUIREMENTS FOR CERTIFIED FIREARMS INSTRUCTOR

LICENSURE (1) An applicant for licensure as a certified firearms instructor (CFI) shall submit an application that complies with all of the requirements of ARM 24.182.501 and evidence that the applicant:

- (a) remains the same.
- (b) ~~maintains or is otherwise insured under a policy with a minimum of \$500,000 occurrence form of commercial general liability which includes personal injury~~ meets the insurance requirements stated in ARM 24.182.405; and
- (c) and (c)(i) remain the same.
- (ii) ~~Peace Officers' Standards and Training~~ Public Safety Officer Standards and Training Council (POST);
- (iii) through (4) remain the same.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, MCA

REASON: It is necessary to amend this rule to align with other proposed amendments and provide references to application requirements already in rule. The board is amending (1)(c)(ii) to reflect that while the acronym POST remains unchanged, "peace officer" has changed to "public safety officer." The board is relocating the insurance requirements to ARM 24.182.405, to be in a single location with the other insurance and bonding requirements.

Authority and implementation citations are being amended to accurately reflect all statutes implemented through the rule and provide the complete sources of the board's rulemaking authority.

24.182.525 COMPANY LICENSURE AND BRANCH OFFICES (1) An applicant for licensure as a contract security company, electronic security company, or proprietary security organization must obtain a company license for the applicant's principal place of business ~~within Montana~~. Subsequent company locations within Montana may be licensed as branch offices. All applications must comply with the requirements stated in ARM 24.182.405, 24.182.407, 24.182.501, and [NEW RULES II through IV].

- (2) remains the same.
  - (3) No branch office shall be authorized for any category of licensure without ~~board~~ approval by the board or its designee.
  - (4) An applicant for licensure ~~for a~~ as a company or branch office shall provide the name of the resident manager appointed to exercise direct supervision, control, charge, management, or operation of each company or branch office located in Montana.
  - (5) Each branch office shall have at least one resident manager who is:
    - (a) is typically present during regular Monday through Friday office hours;
- and

(b) ~~who~~ has established to the board's satisfaction that the resident manager meets the necessary experience qualifications of ~~ARM 24.182.503~~ [NEW RULE XIV].

AUTH: 37-1-131, 37-60-202, MCA

IMP: 37-1-131, 37-60-202, 37-60-302, 37-60-303, MCA

REASON: The board is amending (1) to strike "within Montana" and acknowledge business structures where an entity is licensed to practice and conduct business in Montana without having a principal place of business. Further, the board is amending (1) to cross-reference license requirements found in other rules and ensure applicants are aware of all relevant licensure requirements.

The board is amending (3) to align with standardized department procedures by allowing staff to review and approve branch office licensure on behalf of the board. The board decided this is reasonably necessary, since the licensure standards are clearly set forth in this rule and others referenced in (1).

The board is amending (4) to address confusion by clarifying that this rule applies to companies seeking licensure and not just their branch offices (which also require licensure). Lastly, the board is amending (5)(b) to provide reference to the new rule on licensure requirements of resident managers.

Implementation citations are being amended to accurately reflect all statutes implemented through the rule.

~~24.182.801 CURRICULUM AND STANDARDS FOR FIREARMS TRAINING COURSES (PROGRAM)~~ (1) Certified firearms instructors (CFI) shall submit course outlines for ~~board approval by the board or its designee~~. Firearms training courses must meet the objectives of firearm safety and shooting proficiency, with emphasis on shooting distances of less than 15 yards.

(2) Firearms training courses must address the following issues:

(a) and (b) remain the same.

(c) relevant Montana law regarding the use of deadly force, including civil and criminal liability; and

(d) shooting judgment; ~~and~~

~~(e) civil and criminal liability.~~

(3) Applicants must include a detailed summary of the firearms training courses required in (2).

(3) remains the same but is renumbered (4).

AUTH: 37-60-202, 37-60-303, MCA

IMP: 37-60-202, 37-60-303, MCA

REASON: The board is amending the catchphrase to align with statutory language in 37-60-202 and 37-60-303, MCA, regarding firearms training programs.

The board is amending (1) to align with standardized department procedures by allowing staff to review and approve CFI curriculum on behalf of the board. The board concluded this is reasonably necessary, since the standards for appropriate curricula is clearly set forth in this rule.

Additionally, the board is amending (2) to clarify the information requested by the board related to the use of deadly force, after the board concluded that having applicants include reference to Montana law is necessary for adequate public protection.

The board determined it is reasonably necessary to add (3) and clarify the board's expectation that the applicants summarize the extent of each course they intend to offer. This will also assist department staff in determining whether the curriculum submitted by the applicant complies with this rule.

Authority citations are being amended to provide the complete sources of the board's rulemaking authority.

4. The proposed new rules are as follows:

NEW RULE I PRIVATE INVESTIGATOR TRAINING PROGRAM (1) The training of a private investigator shall, at a minimum, address the following:

- (a) role and function of the private investigator;
- (b) federal, state, and local statutes and rules applicable to the practice of private investigators;
- (c) interaction and cooperation with law enforcement;
- (d) criminal justice administration and information;
- (e) limitations on the use of force and self-defense and the use-of-force continuum;
- (f) emergency procedures and hazardous material preparedness;
- (g) interviews, interrogations, and report writing;
- (h) crisis intervention;
- (i) preservation of crime scene and handling of evidence;
- (j) ethical and legal issues, including, but not limited to:
  - (i) Private Investigator Practice Act and related rules;
  - (ii) criminal law and criminal procedure;
  - (iii) confidentiality and right of privacy;
  - (iv) searches of persons and property;
  - (v) limitations on the power to arrest and detain suspects; and
  - (vi) treatment of juveniles, persons with physical or mental disabilities, and other special classes (e.g., gender, racial, religious, or cultural);
- (k) distinctions between and special issues involved in the following types of investigations: accidents, arson, assets, background, civil, criminal, domestic, industrial/employee conduct, insurance, personal injury (other than auto), and missing person;
  - (l) investigative photography;
  - (m) surveillance; and
  - (n) skip tracing.

(2) Private investigators supervising trainees under ARM 24.182.511 shall submit evidence of completion of the training program on quarterly reports as provided in ARM 24.182.511. Private investigator applicants meeting experience requirements provided in [NEW RULE XI] are deemed to have met the training program requirements set forth above. All other applicants shall submit evidence of having completed the training program as provided by [NEW RULE XI].

(3) Armed private investigators shall complete firearms qualification and requalification in accordance with ARM 24.182.420 and 24.182.421.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, MCA

REASON: The board determined it is reasonably necessary to adopt NEW RULES I through IV to further implement the statutory directives of 37-60-202, MCA, and establish standards for the certification of private investigator, private security guard, security alarm installer, and alarm response runner training programs. Additionally, 37-60-303, MCA, requires applicants for licensure as private security guards, security alarm installers, and alarm response runners to complete board-certified training programs, and provide written notice of satisfactory completion of the training.

The board has concluded that the training program standards proposed in each licensure category constitute the minimum training requirements that are necessary to protect the public health, safety, and welfare, in an amount of time and area of study that are generally consistent with training programs offered by law enforcement jurisdictions, other state licensing jurisdictions, and private associations.

#### NEW RULE II PRIVATE SECURITY GUARD TRAINING PROGRAM

(1) Each security company or organization that employs or intends to employ an individual as a private security guard must certify, as part of the individual's license application, that the individual has successfully completed a minimum of 16 hours of training as a prerequisite to licensure and prior to undertaking any of the duties defined as the practice of a security guard.

(2) The training must address each of the following areas:

- (a) role and function of the security guard;
- (b) federal, state, and local statutes and rules applicable to the practice of private security guards;
- (c) interaction and cooperation with law enforcement;
- (d) limitations on the use of force and self-defense and the use-of-force continuum;
- (e) emergency procedures and hazardous material preparedness;
- (f) communication skills, report writing, and radio communication;
- (g) crisis intervention and crowd control;
- (h) patrol techniques; and
- (i) ethical and legal issues, including, but not limited to:
  - (i) confidentiality and right of privacy;
  - (ii) searches of persons and property;
  - (iii) limitations on the power to arrest and detain suspects;
  - (iv) treatment of juveniles, persons with physical or mental disabilities, and other special classes (e.g., racial, religious, or cultural);
  - (v) preservation of crime scene and handling of evidence; and
  - (vi) preventing abuse of authority.



(3) In addition to these training requirements, armed security guards shall complete firearms qualification and requalification in accordance with ARM 24.182.420 and 24.182.421.

(4) Training on policies, systems, and procedures internal to the employer may not be included within the total hours of training required by this rule.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, MCA

#### NEW RULE III SECURITY ALARM INSTALLER TRAINING PROGRAM

(1) Each electronic security company that employs or intends to employ an individual as a security alarm installer must certify, as part of the individual's license application, that the individual has successfully completed a minimum of 16 hours of training as a prerequisite to licensure, and prior to undertaking any of the duties defined as the practice of a security alarm installer.

(2) The training must address each of the following areas:

(a) role and function of the security alarm installer;

(b) federal, state, and local statutes and rules applicable to the practice of security alarm installers;

(c) national low voltage electrical codes, low voltage limitations, and wiring methods and types;

(d) installation training, including:

(i) manufacturer's product training or industry standard training;

(ii) conducting site survey;

(iii) proper device placement;

(iv) wireless devices;

(v) central station monitoring;

(vi) false alarm prevention; and

(vii) troubleshooting;

(e) safety issues and the Montana Safety Culture Act, including, but not limited to:

(i) the proper use of tools and protective equipment;

(ii) working in enclosed spaces; and

(iii) the proper use and transportation of ladders; and

(f) emergency procedures and hazardous material preparedness.

(3) Training on policies, systems, and procedures internal to the employer may not be included within the total hours of training required by this rule.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, MCA

#### NEW RULE IV ALARM RESPONSE RUNNER TRAINING PROGRAM

(1) Each electronic security company that employs or intends to employ an individual as an alarm response runner must certify, as part of the individual's license application, that the individual has successfully completed a minimum of 16 hours of training as a prerequisite to licensure, and prior to undertaking any of the duties defined as the practice of an alarm response runner.

- (2) The training must address each of the following areas:
- (a) role and function of the alarm response runner;
  - (b) federal, state, and local statutes and rules applicable to the practice of alarm response runners;
  - (c) interaction and cooperation with law enforcement;
  - (d) limitations on the use of force and self-defense and the use-of-force continuum;
  - (e) emergency procedures and hazardous material preparedness;
  - (f) communication skills, report writing, and radio communication;
  - (g) crisis intervention and crowd control;
  - (h) patrol techniques; and
  - (i) ethical and legal issues, including, but not limited to:
    - (i) confidentiality and right of privacy;
    - (ii) searches of persons and property;
    - (iii) limitations on the power to arrest and detain suspects;
    - (iv) treatment of juveniles, persons with physical or mental disabilities, and other special classes (e.g., racial, religious, or cultural);
    - (v) preservation of crime scene and handling of evidence; and
    - (vi) preventing abuse of authority.
- (3) Training on policies, systems, and procedures internal to the employer may not be included within the total hours of training required by this rule.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, MCA

#### NEW RULE V STANDARDS FOR CONTINUING EDUCATION

- (1) Continuing education for licensees is formal training that:
- (a) provides new knowledge and skills to assist with advanced decision making;
  - (b) offers greater depth of knowledge and skills in a particular area of operation;
  - (c) enhances professional attitudes and behaviors;
  - (d) advances career goals;
  - (e) promotes professional development and currency in operations;
  - (f) supports innovation and creativity in operations;
  - (g) implements change within the individual's professional operations; or
  - (h) addresses new and developing standards of operations.
- (2) To qualify, continuing education courses must relate to the licensee's occupation. In addition to training and education that is specific to a licensee's occupation, the board approves the following topics of study:
- (a) Private investigators and process servers may complete continuing legal education (CLE) approved by a state bar on legal topics that relate to their respective operations.
  - (b) Alarm runners, installers, resident managers, and security guards may complete continuing education on the topics related to their practice defined in 37-60-101, MCA.

(3) Providers of continuing education that are acceptable to the board include:

(a) professional organizations that establish standards and criteria for continuing education programs, and/or serve or represent practitioners of the licensee's occupation;

(b) academic institutions of higher learning;

(c) continuing education courses that have been approved in another state;

and

(d) POST-approved instruction.

(4) Licensees cannot count any firearms training received under ARM 24.182.420 and 24.182.421 toward the continuing education requirement.

AUTH: 37-1-131, 37-1-319, MCA

IMP: 37-1-131, 37-1-306, 37-1-319, MCA

REASON: The board determined it is reasonably necessary to adopt NEW RULES V through VIII to implement 37-1-306 and 37-1-319, MCA, by establishing guidelines for mandatory continuing education (CE) for board licensees, and to facilitate the department's random audit procedure for CE. The board has determined that the completion of eight CE hours each license renewal period in the proposed areas of study is necessary to ensure ongoing competence in the field of practice and further ensure qualified licensees.

#### NEW RULE VI ANNUAL CONTINUING EDUCATION REQUIREMENTS

(1) All licensees must verify on the renewal application the completion of eight continuing education hours during the one-year license renewal period.

(2) Licensees holding licensure in more than one license type are required to meet the continuing education requirements for each type of licensure.

(3) Licensees seeking reactivation or reinstatement of an inactive license must complete eight hours of continuing education during the one-year period immediately preceding application for reinstatement.

(4) Licensees may submit a written request for a waiver or time extension for all or a portion of continuing education requirements on the grounds of extreme hardship. The board, in its discretion, must review and consider a written request for a waiver or time extension.

AUTH: 37-1-131, 37-1-319, MCA

IMP: 37-1-131, 37-1-306, 37-1-319, MCA

NEW RULE VII NON-APPROVED ACTIVITIES (1) The following activities may not be used by a licensee to satisfy the continuing education requirements set forth in this chapter:

(a) repetition of a continuing education class with identical content and course objectives within a single renewal period;

(b) agency-specific orientation or in-service program designed for work at a specific institution or for a specific employer that teaches and tests for skill

competency or addresses institution-based or employer-based standards of operation;

- (c) any training program required by rule as a requirement for licensure;
- (d) self-directed study such as reading of texts or journal articles;
- (e) participation in community service or volunteer practice; and
- (f) participation as a member in a professional organization.

AUTH: 37-1-131, 37-1-319, MCA

IMP: 37-1-131, 37-1-306, 37-1-319, MCA

#### NEW RULE VIII AUDITING OF CONTINUING EDUCATION HOURS

(1) The board may conduct a retrospective random audit of the completion of continuing education by licensees during each one-year renewal period.

(2) The board shall notify licensees of the audit by U.S. mail.

(3) Licensees shall respond to the notice of audit by the date specified in the notice by submitting proof of completion of continuing education for the renewal period specified by the board. Proof may consist of copies of the continuing education certificates issued by the continuing education provider, transcripts with course descriptions, or other verified documentation of course completion.

(4) Licensees must retain proof of completion of continuing education for the period of no less than one year following the last day of the renewal period during which the continuing education was obtained.

(5) The audit may include five percent of each license category during each renewal period.

(6) Failure to respond to a board notice of audit may result in disciplinary action against the licensee.

AUTH: 37-1-131, 37-1-319, MCA

IMP: 37-1-131, 37-1-306, 37-1-319, MCA

#### NEW RULE IX INACTIVE STATUS AND CONVERSION TO ACTIVE

STATUS (1) An individual licensee, or an authorized agent on behalf of a licensed business organization, may request inactive status on a renewal form or by informing the board office in writing. The inactive license holder must keep the board informed of any change of address during the period of time the license remains on inactive status and pay the inactive renewal fee annually to avoid expiration or termination of the license.

(2) A licensee may not practice or conduct business while the license is in an inactive status.

(3) The inactive license holder may convert the license to active status by submitting an application on a form prescribed by the department, and the following:

(a) payment of the license renewal fee;

(b) evidence that licensure in other jurisdictions is unrestricted and in good standing;

(c) evidence of required employment by a licensed security company (resident managers, security guards, alarm response runners, and security alarm installers);

(d) evidence of current insurance or bonding as required by ARM 24.182.405; and

(e) evidence of successful completion of continuing education requirements as required by [NEW RULES V and VI].

(4) Private investigators, resident managers, and process servers must successfully complete the examination required by ARM 24.182.505 when converting their inactive license to an active license if their license has been on inactive status for more than five years.

AUTH: 37-1-131, 37-1-319, MCA

IMP: 37-1-319, MCA

REASON: Licensees who are required to carry insurance coverage or have a surety bond must do so during all times their licenses are active. The board concluded that if a licensee, for medical, personal, or other reasons wishes to temporarily withdraw from the practice, it is reasonably necessary to adopt NEW RULE IX to allow the licensee the cost-saving option to cancel insurance coverage or surety bonding during this period of time.

NEW RULE X ALARM RESPONSE RUNNER (1) Each alarm response runner applicant shall submit an application compliant with ARM 24.182.501.

(2) Each alarm response runner applicant shall complete the training program required by [NEW RULE IV].

(3) Each alarm response runner applicant shall provide evidence that the applicant is currently employed, or a contractual promise of future employment of the applicant upon issuance of a license, with a contract security company, a proprietary security organization, or an electronic security company.

(4) The employer shall verify the employment and that it has exercised due diligence to verify as true the information provided by the applicant for licensure.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, 37-60-304, MCA

REASON: The board is adopting NEW RULES X through XV to clearly set forth all licensure requirements in separate rules for each individual license type, while aligning with statutory parameters. The new rules incorporate existing provisions from elsewhere in rule and cross-reference other license standards. Additionally, the new rules clarify acceptable documentation regarding applicants' employment, insurance, and experience. The board concluded that this format will enhance readability while reducing confusion regarding specific license requirements.

NEW RULE XI PRIVATE INVESTIGATOR (1) Each private investigator applicant shall submit an application compliant with ARM 24.182.501.

(2) Each private investigator applicant shall submit evidence that the applicant passed a written examination as set forth in ARM 24.182.505.

(3) A private investigator applicant must submit proof of insurance or surety bond per ARM 24.182.405 requirements.

(4) An applicant for private investigator must list the names and telephone numbers of three references not related to the applicant by blood or marriage. Two of the three references must be:

- (a) former employers;
- (b) individuals or firms with which the applicant had a contractual working agreement if self-employed;
- (c) individuals or firms having knowledge of the agreement or working relationship; or
- (d) as determined acceptable by the board or its designee.

(5) Applicants for licensure as private investigators must demonstrate three years of full-time experience (5,400 cumulative hours) as follows:

(a) employment performing investigative-related duties that do not require licensure as a private investigator, or as a private investigator trainee under an approved supervisor;

(b) governmental or military employment as a peace officer, detective, special agent, or another investigative position;

(c) employment in the fire investigative business or as a fire investigator; or

(d) employment as a licensed insurance investigator, with a maximum allowable credit of 2,700 hours.

(6) Applicants not meeting the required 5,400 hours of experience in (5) may count up to 2,700 hours of training or education as follows:

(a) successful completion and verification of the basic course at the Montana Law Enforcement Academy, which is 900 hours;

(b) training related to the practice of a private investigator, per 37-60-101, MCA; or

(c) credits earned from an institution of higher learning related to criminal justice or law.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, 37-60-304, MCA

REASON: While creating separate licensure rules for each license type, the board is also adopting NEW RULE XI to clearly explain for private investigator applicants the experience requirements and address questions and issues presented to the board over the years. Additionally, this new rule clarifies that acceptable experience includes performing investigative-related duties not requiring licensure, and experience as private investigator trainees, in law enforcement, or other investigations-related fields. The board is adopting (6) to further the board's intent that acceptable education and training relate to private investigations, criminal justice, or the law. The board concluded that these three areas relate directly to the practice of private investigation and as such, are a necessary foundation and will enhance the public's protection.

NEW RULE XII PRIVATE SECURITY GUARD (1) Each private security guard applicant shall submit an application compliant with ARM 24.182.501.

(2) Each private security guard applicant shall complete the training program required by [NEW RULE II].

(3) Each private security guard applicant shall provide evidence that the applicant is currently employed, or a contractual promise of future employment of the applicant upon issuance of a license, with a contract security company, a proprietary security organization, or an electronic security company.

(4) The employer shall verify the employment and that it has exercised due diligence to verify as true the information provided by the applicant for licensure.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, 37-60-304, MCA

NEW RULE XIII PROCESS SERVER (1) Each process server applicant shall submit an application compliant with ARM 24.182.501.

(2) A process server applicant must show proof of residence in the state of Montana for at least one year immediately preceding the submission of the application, pursuant to 25-1-1102, MCA.

(3) Each process server applicant shall submit evidence that the applicant passed a written examination as set forth in ARM 24.182.505.

(4) A process server applicant must submit proof of surety bond pursuant to ARM 24.182.405.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 25-1-1101, 25-1-1102, 25-1-1111, 37-1-131, 37-60-202, 37-60-303, 37-60-304, MCA

NEW RULE XIV RESIDENT MANAGER (1) Each resident manager applicant shall:

(a) submit an application compliant with ARM 24.182.501;

(b) submit evidence that the applicant passed a written examination as set forth in ARM 24.182.505; and

(c) provide the names and telephone numbers of three references not related to the applicant by blood or marriage. Two of the three references must be:

(i) former employers;

(ii) individuals or firms with which the applicant had a contractual working agreement if self-employed;

(iii) individuals or firms having knowledge of the agreement or working relationship; or

(iv) as determined acceptable by the board or its designee.

(2) Applicants for licensure as resident managers of contract security companies or proprietary security organizations must:

(a) complete vocational training of at least two 12-credit semesters in security company operations and two 12-credit semesters in business operations; or

(b) demonstrate two years of full-time experience (3,600 cumulative hours) as follows:

(i) practice as a licensed security guard or alarm response runner for the same type of company the applicant is seeking licensure as a resident manager;

(ii) employment as a sworn peace officer or military police officer; or

(iii) employment as governmental or industrial supervisor or administrator, with security duties as a primary function.

(3) Applicants for licensure as resident managers of electronic security companies must:

(a) complete vocational training of at least two 12-credit semesters in electronic security operations and two 12-credit semesters in business operations; or

(b) demonstrate two years of full-time experience (3,600 cumulative hours) as follows:

(i) practice as a licensed security alarm installer or alarm response runner for an electronic security company; or

(ii) employment as governmental or industrial supervisor or administrator, with electronic security duties as a primary function.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, 37-60-304, MCA

REASON: The statutory definition of resident manager at 37-60-101(22), MCA, includes duties that focus on the "direct supervision, control, charge, management, or operation" of private security company offices in the state. Therefore, the board is clarifying the experience requirements in this new rule to require vocational training in business operations, which more directly relates to the duties of a resident manager, as well as security company operations for all resident managers.

The current experience requirement for resident managers of electronic security companies is two years as an employer or employee "in the field." The board concluded this requirement is vague, and is clarifying in (3)(b)(i) that prior experience working for an electronic security company as a licensed security alarm runner or installer is acceptable, as these are the primary functions of an electronic security company. Further, (3)(b)(ii) will allow experience as supervisors or administrators specializing in security to apply toward licensure in electronic security, to mirror a similar provision for resident managers of a proprietary or contract security company.

NEW RULE XV SECURITY ALARM INSTALLER (1) Each security alarm installer applicant shall submit an application compliant with ARM 24.182.501.

(2) Each security alarm installer applicant shall complete the training program required by [NEW RULE III].

(3) Each security alarm installer applicant shall provide evidence that the applicant is currently employed, or a contractual promise of future employment of the applicant upon issuance of a license, with a contract security company, a proprietary security organization, or an electronic security company.

(4) The employer shall verify the employment and that it has exercised due diligence to verify as true the information provided by the applicant for licensure.

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-202, 37-60-303, 37-60-304, MCA



NEW RULE XVI NONROUTINE APPLICATIONS (1) The department shall process and issue licenses to all applicants who submit complete and routine applications. Complete applications that are nonroutine must be reviewed by the board to determine licensure.

(2) The board shall review an application containing any of the following criteria:

- (a) the applicant's conviction, or pending criminal charge, of:
  - (i) a felony crime, unless the conviction was dismissed by the court;
  - (ii) any crime related to the illegal use or possession of a dangerous weapon, unless the conviction was dismissed by the court;
  - (iii) a misdemeanor crime involving violence, use or sale of drugs, fraud, deceit, or theft, pursuant to 37-1-316(1), MCA, unless the conviction occurred more than five years before application and all court-ordered conditions have been satisfied, discharged, or dismissed; or
  - (iv) two or more misdemeanor crimes that have occurred within five years of application, including the traffic-related crimes of reckless driving, driving under the influence (DUI), and hit-and-run;
- (b) disciplinary action taken against a professional license held by the applicant in this state, another state, or other jurisdiction, in which:
  - (i) the license was revoked, suspended, voluntarily or involuntarily surrendered, or placed on probation for three or more years; or
  - (ii) the license is currently encumbered, meaning conditions imposed on the license have not been satisfied or are ongoing; and
  - (iii) the disciplinary action originated in that state or jurisdiction because of the applicant's underlying conduct and not in response to another state or jurisdiction's disciplinary action;
- (c) the applicant has been court-martialed or received a dishonorable discharge from any armed services branch;
- (d) a malpractice judgment has been entered against the applicant related to the practice of private security;
- (e) the applicant answered "yes" on the application to being diagnosed with chemical dependency or another addiction, or has participated in a chemical dependency or other addiction treatment program (excluding ACT or similar court-ordered program), any of which have occurred within five years of application;
- (f) the applicant answered "yes" on the application regarding a diagnosis for a physical condition or mental health disorder involving potential health risk to the public; or
- (g) the applicant failed to disclose a criminal conviction on the application that was discovered during the background check and the criminal conviction is defined as nonroutine under (a)(i) through (iv).

(3) The department may, but is not required to, submit an otherwise routine application to the board for review if:

- (a) questions arise whether the applicant meets all requirements for licensure under 37-60-303, MCA, including but not limited to the demonstration of good moral character; or
- (b) inconsistencies, irregularities, or other matters of concern exist in the application or related documentation.

AUTH: 37-1-131, 37-60-202, MCA

IMP: 37-1-101, 37-1-131, 37-60-202, 37-60-303, 37-60-304, MCA

REASON: The board determined it is reasonably necessary to adopt New Rule XVI to further implement 37-1-101, MCA, which states the department will process routine licensure applications on behalf of the board. This rule identifies criteria determined by the board to characterize nonroutine applications which require the board's consideration for processing. Presently, the board has defined nonroutine applications through board motions that focus on character and fitness issues raised in the answers to application questions. The board is proposing this new rule to clearly establish when full board review is required and to otherwise facilitate the department's processing of routine applications.

5. The board proposes to repeal the following rule:

24.182.503 EXPERIENCE REQUIREMENTS

AUTH: 37-1-131, 37-60-202, 37-60-303, MCA

IMP: 37-1-131, 37-60-301, 37-60-303, 37-60-304, MCA

REASON: The board is repealing this rule to align with the adoption of NEW RULES X through XV in this notice. The board is proposing the new rules to set forth licensure requirements in separate rules for each license type. This rule is no longer necessary as it duplicates language now appearing in the new rules.

6. Concerned persons may present their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to the Board of Private Security, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513, by facsimile to (406) 841-2305, or e-mail to [dlibsdp@mt.gov](mailto:dlibsdp@mt.gov), and must be received no later than 5:00 p.m., July 21, 2017.

7. An electronic copy of this notice of public hearing is available at <http://boards.bsd.dli.mt.gov/psp> (department and board's web site). The department strives to make the electronic copy of this notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the department strives to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems, and that technical difficulties in accessing or posting to the e-mail address do not excuse late submission of comments.

8. The board maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this board. Persons who wish to have their name added to the list shall make a written request that includes the name, e-

mail, and mailing address of the person to receive notices and specifies that the person wishes to receive notices regarding all board administrative rulemaking proceedings or other administrative proceedings. The request must indicate whether e-mail or standard mail is preferred. Such written request may be sent or delivered to the Board of Private Security, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; faxed to the office at (406) 841-2305; e-mailed to [dlibsdp@mt.gov](mailto:dlibsdp@mt.gov); or made by completing a request form at any rules hearing held by the agency.

9. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

10. With regard to the requirements of 2-4-111, MCA, the board has determined that the amendment of ARM 24.182.405 and 24.182.511 will significantly and directly impact small businesses.

With regard to the requirements of 2-4-111, MCA, the board has determined that the amendment of ARM 24.182.101, 24.182.201, 24.182.202, 24.182.301, 24.182.401, 24.182.403, 24.182.407, 24.182.420, 24.182.421, 24.182.501, 24.182.504, 24.182.505, 24.182.507, 24.182.520, 24.182.525, and 24.182.801 will not significantly and directly impact small businesses.

With regard to the requirements of 2-4-111, MCA, the board has determined that the adoption of new rules I through VIII will significantly and directly impact small businesses.

With regard to the requirements of 2-4-111, MCA, the board has determined that the adoption of new rules IX through XVI will not significantly and directly impact small businesses.

With regard to the requirements of 2-4-111, MCA, the board has determined that the repeal of ARM 24.182.503 will not significantly and directly impact small businesses.

Documentation of the board's above-stated determinations is available upon request to the Board of Private Security, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; telephone (406) 841-2370; facsimile (406) 841-2305; or to [dlibsdp@mt.gov](mailto:dlibsdp@mt.gov).

11. Steve Gallus, Executive Officer, has been designated to preside over and conduct this hearing.

BOARD OF PRIVATE SECURITY  
HOLLY DERSHEM-BRUCE,  
CHAIRPERSON

/s/ DARCEE L. MOE  
Darcee L. Moe  
Rule Reviewer

/s/ PAM BUCY  
Pam Bucy, Commissioner  
DEPARTMENT OF LABOR AND INDUSTRY

Certified to the Secretary of State June 12, 2017.