

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 1, 2009
POSITION: Oppose

BILL NUMBER: SB 202
AUTHOR: T. Harman

BILL SUMMARY: Private Investigators: Continuing Education

This bill would require private investigator licensees, as a condition of license renewal, to complete 12 hours of continuing education. The bill provides for exemptions to the requirement for inactive or peace officer investigators. The bill would also increase the fee for an original license from up to \$175 to up to \$195 and the renewal fee from up to \$125 to up to \$145. In addition, the bill provides that the Department of Consumer Affairs (DCA) shall charge a fee, not to exceed \$20 per course, to continuing education providers for the cost of approving providers and course content.

FISCAL SUMMARY

The DCA estimates a need for \$16,500 for one-time costs to develop criteria for continuing education programs and for information technology changes in 2009-10. The DCA also estimates increased costs of \$41,000 in 2010-11 for one position beginning January 1, 2011, \$154,000 in 2011-12 to include two additional positions beginning January 1, 2012, and \$212,000 ongoing. The positions are needed to update renewal forms, notify licensees, promulgate regulations, and verify education requirements. Any request for resources as a result of this bill would be subject to review and approval through the annual budget process.

This bill would increase the maximum fee for an initial license from \$175 to \$195 and renewal from \$125 to \$145 on a biennial basis. Revenues are estimated to increase by \$55,000 per year in 2009-10, increasing to \$179,000 by 2012-13 (\$20 increase per new or renewed license). Revenues from the civil penalties are unknown. This bill also provides for a fee on continuing education providers, not to exceed \$20 per course, to cover the DCA's costs to approve continuing education providers, perform audits, and to develop criteria for course providers and course content. Although the bill is unclear whether these fees are one time or annual, the DCA expects revenue from these fees to be minimal and not to exceed \$10,000 in any given year. Based on the estimates above, these fee increases will not provide sufficient resources to support these new activities on an on-going basis.

COMMENTS

The Department of Finance is opposed to this bill because it would establish new requirements but provides insufficient fees to cover the cost of the program.

Existing law does not require continuing education for private investigators. This bill would, beginning January 1, 2013, require 12 hours of continuing education regarding confidentiality, ethics and other related subject matter as a condition of biennial license renewal. For license renewal between January 1, 2011 and January 1, 2012, six units of continuing education would be required, as specified. The provisions of this bill would not apply to licensees over the age of 70 or to other inactive or peace officer candidates, as specified.

Analyst/Principal Date Program Budget Manager Date
(0242) K. Shelton Todd Jerue

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)

AUTHOR

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Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)								Fund Code
	LA	(Dollars in Thousands)								
	CO	PROP								
	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012		
1111/ConAfr-BurPg	SO	No	C	\$17	C	\$41	C	\$154		0769
1200/Reg Tax&Licn	RV	No	U	\$55	U	\$110	U	\$145		0769
1256/Othr Reg Fee	RV	No		----- See Fiscal Summary -----						0769
<u>Fund Code</u>	<u>Title</u>									
0769	Private Investigator Fund									