

Testimony of the North Dakota Private Investigative and Security Board (NDPISB)

Senate Bill No. 2266  
Senate Industry and Business Committee  
February 5<sup>th</sup>, 2025

Chairman Barta and members of the Committee, thank you for the opportunity to comment on Senate Bill 2266. My name is John Shorey, Executive Director of the North Dakota Private Investigative and Security Board, otherwise known as the NDPISB. My public testimony today is advocating for passage of Senate Bill 2266 and to answer any questions the Committee may have.

**COMMENTS ON BILL DRAFT**

The NDPISB is a Governor appointed Board that licenses and regulates the private security and private investigative industries in North Dakota. The Board is one of the few occupational licensing Boards in North Dakota that has jurisdiction over unlicensed activity. The Board regards unlicensed activity as a major public safety concern and responds accordingly. This includes initiating investigations and taking enforcement action when appropriate.

The Board experienced out-of-ordinary legal, investigative, and operating expenses directly related to the Dakota Access Pipeline (DAPL) protests. This included the investigation of unlicensed activities of private investigative and private security providers, responding to numerous open records requests and media inquiries, initiation of administrative actions and litigation against unlicensed providers, referrals for criminal prosecution, numerous special meetings, and increased Board-staff time devoted to these activities, to name a few.

Spun from one of these litigations was the requirement of the Board to review and redact 61,988 pages of documents for exempt and confidential information under North Dakota Law, prior to the documents being released in response to open records requests. It took the Board 440.2 hours to complete the initial redactions of those documents. This does not include other Board staff time and resources spent regarding the redactions of the documents and the accompanying litigation. That litigation remains ongoing, and is currently before an Administrative Law Judge.

As the Committee is likely aware, the Board does not receive annual appropriations to fund its operations. All funding is derived from the licensing and certification fees the Board assesses. This bill reflects the direct expenses of the Board's related to the DAPL protest that were incurred after any settlement/stipulations the Board entered into. These expenses are itemized below:

Legal Fees:	\$29,726.87
Unfunded Board Staff time redaction of documents:	\$6006.25
Office of Administrative Hearings:	\$525.00
External Hard Drive for Documents:	\$59.99
Total:	<u>\$36,318.11</u>

It should be noted that this does not fully document the substantial Board staff time, resources, and other costs associated with the Board's response to the DAPL situation.

The Board is currently facing a projected shortfall before its license renewal season, which has a deadline of September 30<sup>th</sup>, 2025. Senate Bill 2266 would reimburse the Board for these DAPL expenses by way of a grant, and support continued Board administrative functions.

Thank you again for the opportunity to present this testimony. We, the North Dakota Private Investigative and Security Board, urge you to issue a do pass recommendation on Senate Bill 2266. I would stand for any questions you may have.

John Shorey,  
Executive Director, North Dakota Private Investigative and Security Board.