

Chairman Barta and members of the Committee, thank you for the opportunity to submit testimony on Senate Bill 2051. My name is Scott Williams, General Manager of Red River Security. We are a regulated agency under the authority of the North Dakota Private Investigation and Security Board (NDPISB). My public testimony today is advocating against passage of SB2051 as proposed by the Board.

In his testimony, Mr. Shorey states that “this amendment reflects the increased costs of administrating the licensing and certification of private investigators and private security providers.” Other than individual licenses now being actual cards, there has been absolutely no indication that there is any more work to be done now than in the past.

Further, Mr. Shorey stated that the Board “has seen increased legal and operating expenses. This includes out-of-ordinary expenses related to the Board’s response to the DAPL situation...” I would encourage the Committee to do a deep dive and ask Mr. Shorey the reason for the legal expenses, as well as why they appealed the lawsuit they lost to TigerSwan, leading to yet more expenses.

My agency, Red River Security, has faithfully submitted our renewal paperwork every year, as well as remitting payment for all renewals. The last time we received renewed licenses and pocket cards was in October of 2020. We have now been operating for five years without valid pocket cards which are required by state law. All we have received from Mr. Shorey is an email stating the Board considers our individual and agency licensure current as our paperwork has been received, and that only after requesting such documentation.

At every meeting I’ve attended for the last two years, Mr. Shorey has promised anywhere from two to six months that the backlog of renewals will be cleared. Yet year after year, we submit our renewal paperwork and receive no licenses in return. When we solicit clients, if they ask for our agency license as part of their due diligence, we have to provide them with Mr. Shorey’s written assurance that our license is in good standing, instead of providing a copy of our agency license.

It's true, Mr. Shorey is currently operating alone in the office. However, up until the DAPL situation, which is now approaching ten years ago, we received our renewed licenses on time. Ever since the legal action surrounding the Board and the DAPL situation occurred, we have faithfully paid for and submitted our renewals and have records of the checks being deposited, yet we have no renewals.

Mr. Shorey testified that “the Board’s total expenses for the last several years have been more than its total revenue.” I would encourage the Committee to ask Mr. Shorey for a breakdown of legal costs as well as costs associated with administrating the Armed First Responder Training Program, and to ask Mr. Shorey what accounts for the lion’s share of the

expense. My gut feeling is that the DAPL-associated legal actions account for the majority of the expenses.

I only learned of SB2051 through a colleague in the private security profession. If a regulator is proposing fee increases this massive, I would like to think the regulating agency would at least alert the associated businesses of the possibility of a rate increase, especially since this is being requested as an emergency measure. Instead, we received nothing, not even an email.

It seems that Mr. Shorey and the Board are attempting to defray their legal expenses by passing them on to the businesses they regulate. I do not and will never approve of this sort of proposed action. In short, it seems Mr. Shorey and the Board are attempting to solve a problem they created themselves, given the nature of the lawsuit they lost and then appealed.

For these reasons, I urge the Committee to issue a DO NOT PASS recommendation on SB2051. Members of the Committee and Chairman Barta, I thank you for your time.

Scott Williams
General Manager, Red River Security