

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009**

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**HOUSE BILL 570\***

Short Title: Amend Private Protective Services Act. (Public)

Sponsors: Representatives Gibson; and Lucas.

Referred to: Judiciary III, if favorable, Finance.

March 16, 2009

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE PRIVATE PROTECTIVE SERVICES ACT.  
The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 74C-3(a) reads as rewritten:

"(a) As used in this Chapter, the term "private protective services profession" means and includes the following:

(1) Armored car profession. – Any person, firm, association, or corporation which for a fee or other valuable consideration provides secured transportation and protection from one place or point to another place or point of money, currency, coins, bullion, securities, checks, documents, stocks, bonds, jewelry, paintings, and other valuables. This definition does not include a person operating an armored car business pursuant to a motor carrier certificate or permit issued by the North Carolina Utilities Commission which grants operating rights for such business; however, armed armored car service guards shall be subject to the provisions of G.S. 74C-13.

(2) Repealed by Session Laws 1983, c. 786, s. 2.

(3) Redesignated as (a)(5a) by Revisor of Statutes. See Editor's notes.

(4) Courier service profession. – Any person, firm, association, or corporation which for a fee or other valuable consideration transports or offers to transport from one place or point to another place or point documents, papers, maps, stocks, bonds, checks, or other small items of value which require expeditious services. Armed courier service guards shall be subject to the provisions of G.S. 74C-13.

(5) Detection of deception examiner. – Any person, firm, association, or corporation which uses any device or instrument, regardless of its name or design, for the purpose of the detection of deception or any person who reviews the work product of an examiner including charts, tapes or other methods of record keeping for the purpose of detecting deception or determining accuracy.

(5a) Digital forensics examiner. – Any person who, on a contractual basis, engages in the practice of conducting examinations of digitally stored data to recover, image, analyze, or examine the data by using specialized software to determine responsibility or reconstruct usage of the data. However, a digital forensics examiner shall not include any of the following:

a. An accountant.



- 1            b. A person employed to conduct network security operations regarding  
2            network security violations.
- 3            c. A member of a network security compromise response team.
- 4            d. A person who analyzes computer or digital storage media for the  
5            purpose of upgrading, maintaining, or repairing the system.
- 6            e. A person who uses utilities proprietary to the examined device to  
7            recover data without the use of additional software, such as cellular  
8            telephone call information.
- 9            f. Any other computer or digital media technician who is not  
10           conducting imaging, analysis, or other activities under this  
11           subdivision.
- 12           g. An officer, employee, or agent of the United States, this State, or any  
13           political subdivision while the officer, employee, or agent is engaged  
14           in the performance of his or her official duties within the course and  
15           scope of his or her employment.
- 16        ~~(5a)~~(5b) Electronic countermeasures profession. – Any person, firm, association,  
17        or corporation which for a fee or other valuable consideration discovers,  
18        locates, or disengages by electronic, electrical, or mechanical means any  
19        listening or other monitoring equipment surreptitiously placed to gather  
20        information concerning any individual, firm, association, or corporation.
- 21        ~~(6)~~ Security guard and patrol profession. — Any person, firm, association, or  
22        corporation that provides a security guard on a contractual basis for another  
23        person, firm, association, or corporation for a fee or other valuable  
24        consideration and performs one or more of the following functions:
- 25           ~~a. Prevention or detection of intrusion, entry, larceny, vandalism, abuse,~~  
26           ~~fire, or trespass on private property.~~
- 27           ~~b. Prevention, observation, or detection of any unauthorized activity on~~  
28           ~~private property.~~
- 29           ~~e. Protection of patrons and persons lawfully authorized to be on the~~  
30           ~~premises or being escorted between premises of the person, firm,~~  
31           ~~association, or corporation that entered into the contract for security~~  
32           ~~services.~~
- 33           ~~d. Control, regulation, or direction of the flow or movement of the~~  
34           ~~public, whether by vehicle or otherwise, only to the extent and for the~~  
35           ~~time directly and specifically required to assure the protection of~~  
36           ~~properties.~~
- 37        (7) Guard dog service profession. – Any person, firm, association, or  
38        corporation which for a fee or other valuable consideration contracts with  
39        another person, firm, association, or corporation to place, lease, rent, or sell a  
40        trained dog for the purpose of protecting lives or property.
- 41        (8) Private detective or private investigator. – Any person who engages in the  
42        profession of or accepts employment to furnish, agrees to make, or makes  
43        inquiries or investigations concerning any of the following on a contractual  
44        basis:
- 45           a. Crimes or wrongs done or threatened against the United States or any  
46           state or territory of the United States.
- 47           b. The identity, habits, conduct, business, occupation, honesty,  
48           integrity, credibility, knowledge, trustworthiness, efficiency, loyalty,  
49           activity, movement, whereabouts, affiliations, associations,  
50           transactions, acts, reputation, or character of any person.
- 51           c. The location, disposition, or recovery of lost or stolen property.

- d. The cause or responsibility for fires, libels, losses, accidents, damages, or injuries to persons or to properties.
  - e. Securing evidence to be used before any court, board, officer, or investigative committee.
  - f. Protection of individuals from serious bodily harm or death.
- (8a) Security guard and patrol profession. – Any person, firm, association, or corporation that provides a security guard on a contractual basis for another person, firm, association, or corporation for a fee or other valuable consideration and performs one or more of the following functions:
- a. Prevention or detection of intrusion, entry, larceny, vandalism, abuse, fire, or trespass on private property.
  - b. Prevention, observation, or detection of any unauthorized activity on private property.
  - c. Protection of patrons and persons lawfully authorized to be on the premises or being escorted between premises of the person, firm, association, or corporation that entered into the contract for security services.
  - d. Control, regulation, or direction of the flow or movement of the public, whether by vehicle or otherwise, only to the extent and for the time directly and specifically required to assure the protection of properties.
- (9) Special limited guard and patrol profession. – Any person who is licensed under Chapter 74D of the General Statutes of North Carolina and provides armed alarm responders pursuant to G.S. 74C-13. Applicants for this limited license shall not be required to meet the experience requirements for a security guard and patrol license. Any experience gained under this limited license shall not be counted as experience for a security guard and patrol license."

**SECTION 2.** G.S. 74C-3(b)(13) reads as rewritten:

"(b) "Private protective services" shall not include any of the following:

- ...
- (13) A person who works regularly and exclusively as an employee of an employer in connection with the business affairs of that employer. ~~If the employee is an armed security guard and wears, carries, or possesses a firearm in the performance of the employee's duties, the provisions of G.S. 74C-13 apply.~~ However, the provisions of this Chapter shall apply if: (i) the employee is an armed security guard who wears, carries, or possesses a firearm in the performance of the employee's duties; or (ii) the person is an armed or unarmed security guard at an establishment that sells alcohol. The term 'establishment' shall include an eating establishment, a private club, or a restaurant as defined in G.S. 18B-1000.

...."

**SECTION 3.** G.S. 74C-7 reads as rewritten:

**"§ 74C-7. Investigative powers of the Attorney General.**

The Attorney General for the State of North Carolina shall have the power to investigate or cause to be investigated any complaints, allegations, or suspicions of wrongdoing or violations of this Chapter involving individuals licensed, or to be licensed, under this Chapter. Any investigation conducted pursuant to this section is deemed confidential and is not subject to review under G.S. 132-1. However, the report may be released to the licensee after the investigation is complete but before the report is presented to the Board."

**SECTION 4.** G.S. 74C-8(c) reads as rewritten:

- 1           "(c) (1) A business entity other than a sole proprietorship shall not do business under  
2 this Chapter unless the business entity has in its employ a designated  
3 resident qualifying agent who meets the requirements for a license issued  
4 under this Chapter and who is, in fact, licensed under the provisions of this  
5 Chapter, unless otherwise approved by the Board. Provided however, that  
6 this approval shall not be given unless the business entity has and  
7 continuously maintains in this State a registered agent who shall be an  
8 individual resident in this State. Service upon the registered agent appointed  
9 by the business entity of any process, notice, or demand required by or  
10 permitted to be served upon the business entity by the Private Protective  
11 Services Board shall be binding upon the business entity and the licensee.  
12 Nothing herein contained shall limit or affect the right to serve any process,  
13 notice, or demand required or permitted by law to be served upon a business  
14 entity in any other manner now or hereafter permitted by law.
- 15           (2) For the purposes of the Chapter a qualifying agent means an individual in a  
16 management position who is licensed under this Chapter and whose name  
17 and address have been registered with the Director.
- 18           (3) In the event that the qualifying agent upon whom the business entity relies in  
19 order to do business ceases to perform his duties as qualifying agent, the  
20 business entity shall notify the Director within 10 working days. The  
21 business entity must obtain a substitute qualifying agent within 30 days after  
22 the original qualifying agent ceases to serve as qualifying agent unless for  
23 good cause: (i) the Board, in its discretion, ~~extends this period, for good~~  
24 ~~cause, for a~~ extends the period of time not to exceed three months; or  
25 (ii) following petition by an applicant and a hearing by the Board, the Board  
26 extends the period of time not to exceed six months.
- 27           (4) The certificate authorizing the business entity to engage in a private  
28 protective services profession shall list the name of at least one designated  
29 qualifying agent. No licensee shall serve as the qualifying agent for more  
30 than one business entity without prior approval of the Director, subject to the  
31 approval of the Board.
- 32           (5) The Department of Justice may provide a criminal record check to the  
33 Private Protective Services Board for a person who has applied for a new or  
34 renewal license, registration, certification, or permit through the Private  
35 Protective Services Board. The Board shall provide to the Department of  
36 Justice, along with the request, the fingerprints of ~~the applicant, a new~~  
37 applicant, and the Department of Justice shall provide a criminal record  
38 check based upon the applicant's fingerprints. The Board may request a  
39 criminal record check from the Department of Justice for a renewal applicant  
40 based upon the applicant's fingerprints in accordance with policy adopted by  
41 the Board. The Board shall provide any additional information required by  
42 the Department of Justice, and a form signed by the applicant consenting to  
43 the check of the criminal record and to the use of the fingerprints and other  
44 identifying information required by the State or national repositories. The  
45 applicant's fingerprints shall be forwarded to the State Bureau of  
46 Investigation for a search of the State's criminal history record file, and the  
47 State Bureau of Investigation shall forward a set of the fingerprints to the  
48 Federal Bureau of Investigation for a national criminal history check. The  
49 Board shall keep all information pursuant to this subdivision privileged, in  
50 accordance with applicable State law and federal guidelines, and the

1 information shall be confidential and shall not be a public record under  
2 Chapter 132 of the General Statutes.

3 The Department of Justice may charge each applicant a fee for  
4 conducting the checks of criminal history records authorized by this  
5 subdivision."

6 **SECTION 5.** G.S. 74C-8(f) reads as rewritten:

7 "(f) Upon a finding that the application is in proper form, the completion of the  
8 background investigation, and the completion of an examination required by the Board, the  
9 Director shall submit to the Board the application and his recommendations. Upon completion  
10 of the background investigation, the Director may in his discretion issue a temporary license  
11 pending approval of the application by the Board at the next regularly scheduled meeting. The  
12 Board shall determine whether to approve or deny the application for a license. Upon approval  
13 by the Board, a license will be issued to the applicant upon payment by the applicant of the  
14 initial license fee and the required contribution to the Private Protective Services ~~Recovery~~  
15 Education Fund, and certificate of liability insurance."

16 **SECTION 6.** G.S. 74C-9(e) reads as rewritten:

17 "(e) The Board is authorized to charge reasonable application and license fees as  
18 follows:

- 19 (1) A nonrefundable initial application fee in an amount not to exceed one  
20 hundred fifty dollars (\$150.00);
- 21 (2) A new or renewal license fee in an amount not to exceed two hundred fifty  
22 dollars (\$250.00) per year of the license term;
- 23 (3) A new or renewal trainee permit fee in an amount not to exceed two hundred  
24 fifty dollars (\$250.00) per year of the license term;
- 25 (4) A new or renewal fee for each license or duplicate license in addition to the  
26 basic license referred to in subsection (2) in an amount not to exceed fifty  
27 dollars ~~(\$50.00);~~ (\$50.00) per year of the license term;
- 28 (5) A late renewal fee to be paid within 90 days from the date the license expires  
29 in addition to the renewal fee due in an amount not to exceed one hundred  
30 dollars (\$100.00), if the ~~license~~ license, registration, permit, or certification  
31 ~~has not been renewed on or before the expiration date of the license;~~  
32 registration, permit, or certification;
- 33 (6) A new, renewal, replacement or reissuance fee for an unarmed registration  
34 identification card in an amount not to exceed thirty dollars (\$30.00);
- 35 (7) An application fee for a firearm registration permit not to exceed fifty dollars  
36 (\$50.00);
- 37 (8) A new, renewal, replacement, or reissuance fee for a firearm registration  
38 permit not to exceed thirty dollars (\$30.00);
- 39 (9) An application fee for certification as a certified trainer not to exceed fifty  
40 dollars (\$50.00);
- 41 (10) A renewal or replacement fee for certified trainer certification not to exceed  
42 twenty-five dollars (\$25.00);
- 43 (11) A new nonresident temporary permit fee not to exceed one hundred dollars  
44 (\$100.00);
- 45 (12) An unarmed registration transfer fee not to exceed fifteen dollars (\$15.00);
- 46 (13) A branch office license fee not to exceed fifty dollars ~~(\$50.00); and~~ (\$50.00)  
47 per year of the license term;
- 48 (14) A special limited guard and patrol license fee not to exceed one hundred  
49 dollars ~~(\$100.00);~~ (\$100.00) per year of the license term; and

1           (15) A correctable error fee not to exceed one hundred dollars (\$100.00) for each  
2           subsequent filing of an application following review and rejection of the  
3           initial application.

4 Except as provided in G.S. 74C-13(k), all fees collected pursuant to this section shall be  
5 expended, under the direction of the Board, for the purpose of defraying the expenses of  
6 administering this Chapter."

7           **SECTION 7.** G.S. 74C-11(a) reads as rewritten:

8           "(a) All licensees may employ unarmed security guards as probationary employees for  
9 20 consecutive calendar days. Upon completion of the probationary period and the desire of the  
10 licensee to hire an unarmed security guard as a regular employee, the licensee shall register the  
11 employee who will be engaged in providing private protective services covered by this Chapter  
12 with the Board within 30 days after the probationary employment period ends, unless the  
13 Director, in the Director's discretion, extends the time period, for good cause. Before a  
14 probationary employee engages in private protective services, the employee shall complete any  
15 training requirements, and the licensee shall conduct a criminal record check on the employee,  
16 as the Board deems appropriate. The licensee shall submit a list of the probationary employees  
17 to the Director on a monthly basis. The list shall include the name, address, social security  
18 number, and dates of employment of the employees.

19 To register an employee after the probationary period ends, a licensee must give the Board  
20 the following:

- 21           (1) Set(s) of classifiable fingerprints on standard F.B.I. applicant cards; recent  
22           photograph(s) of acceptable quality for identification; and
- 23           (2) Statements of any criminal records obtained from the appropriate authority  
24           in each area where the employee has resided within the immediately  
25           preceding 48 months."

26           **SECTION 8.** G.S. 74C-12(a) reads as rewritten:

27           "(a) The Board may, after compliance with Chapter 150B of the General Statutes, deny,  
28 suspend or revoke a license, registration, or permit issued under this Chapter if it is determined  
29 that the applicant, licensee, registrant, or permit holder has done any of the following acts:

- 30           (1) Made any false statement or given any false information in connection with  
31           any application for a license, registration, or permit or for the renewal or  
32           reinstatement of a license, registration, or permit.
- 33           (2) Violated any provision of this Chapter.
- 34           (3) Violated any rule adopted by the Board pursuant to the authority contained  
35           in this Chapter.
- 36           (4) Repealed by Session Laws 1989, c. 759, s. 10.
- 37           (5) Impersonated or permitted or aided and abetted any other person to  
38           impersonate a law enforcement officer of the United States, this State, any  
39           other state, or any political subdivision of a state.
- 40           (6) Engaged in or permitted any employee to engage in a private protective  
41           services profession when not lawfully in possession of a valid license issued  
42           under the provisions of this Chapter.
- 43           (7) Willfully failed or refused to render to a client service as agreed between the  
44           parties and for which compensation has been paid or tendered in accordance  
45           with the agreement of the parties.
- 46           (8) Knowingly made any false report to the employer or client for whom  
47           information is being obtained.
- 48           (9) Committed an unlawful breaking or entering, assault, battery, or kidnapping.
- 49           (10) Knowingly violated or advised, encouraged, or assisted the violation of any  
50           court order or injunction in the course of business as a licensee.
- 51           (11) Repealed by Session Laws 1989, c. 759, s. 10.

- 1 (12) Undertaken to give legal advice or counsel or to in any way falsely represent  
2 that he or she is representing any attorney or he or she is appearing or will  
3 appear as an attorney in any legal proceeding.
- 4 (13) Issued, delivered, or uttered any simulation of process of any nature which  
5 might lead a person or persons to believe that such simulation – written,  
6 printed, or typed – may be a summons, warrant, writ or court process, or any  
7 pleading in any court proceeding.
- 8 (14) Failed to make the required contribution to the Private Protective Services  
9 ~~Recovery~~-Education Fund or failed to maintain the certificate of liability  
10 insurance required by this Chapter.
- 11 (15) Violated the firearm provisions set forth in this Chapter.
- 12 (16) Repealed by Session Laws 1989, c. 759, s. 10.
- 13 (17) Failed to notify the Director by a business entity other than a sole  
14 proprietorship licensed pursuant to this Chapter of the cessation of  
15 employment of the business entity's qualifying agent within the time set  
16 forth in this Chapter.
- 17 (18) Failed to obtain a substitute qualifying agent by a business entity within 30  
18 days after its qualifying agent has ceased to serve as the business entity's  
19 qualifying agent.
- 20 (19) Been judged incompetent by a court having jurisdiction under Chapter 35A  
21 or former Chapter 35 of the General Statutes or committed to a mental health  
22 facility for treatment of mental illness, as defined in G.S. 122C-3, by a court  
23 under G.S. 122C-271.
- 24 (20) Failed or refused to offer a report to a client within 30 days of the client's  
25 written request after the client has paid for services rendered.
- 26 (21) Been previously denied a license, registration, or permit under this Chapter  
27 or previously had a license, registration, or permit revoked for cause. The  
28 denial or revocation shall include a principal in the applicant's business.
- 29 (22) Engaged in a private protective services profession under a name other than  
30 the name under which the license was obtained under the provisions of this  
31 Chapter.
- 32 (23) Divulged to any person, except as required by law, any information acquired  
33 by the license holder except at the direction of the employer or client for  
34 whom the information was obtained. A licensee may divulge to any law  
35 enforcement officer or district attorney or district attorney's representative  
36 any information the law enforcement officer may require to investigate a  
37 criminal offense with the prior approval and consent of the client.
- 38 (24) Fraudulently held himself or herself out as employed by or licensed by the  
39 State Bureau of Investigation or any other governmental authority.
- 40 (25) Intemperate habits or lacks good moral character. The acts that are prima  
41 facie evidence of intemperate habits or lack of good moral character under  
42 G.S. 74C-8(d)(2) are prima facie evidence of the same under this  
43 subdivision.
- 44 (26) Advertised or solicited business using a name other than that in which the  
45 license was issued.
- 46 (27) Worn, carried, or accepted any badge or shield purporting to indicate that the  
47 person is a law enforcement officer while licensed under the provisions of  
48 this Chapter as a private investigator.
- 49 (28) Possessed or displayed a badge or shield while providing private protective  
50 services that was not designed and approved by the Board pursuant to  
51 G.S. 74C-5(12).

1           (29) Failed or refused to reasonably cooperate with the Board or its agents during  
2 an investigation of any complaint, allegation, suspicion of wrongdoing, or  
3 violation of this Chapter.

4           (30) Failed to properly make any disclosure to the Board or provide documents or  
5 information required by this Chapter or rules adopted by the Board.

6           (31) Engaged in conduct constituting dereliction of duty or otherwise deceived,  
7 defrauded, or harmed the public in the course of professional activities or  
8 services.

9           (32) Demonstrated a lack of financial responsibility."

10       **SECTION 9.** G.S. 74C-12(c) reads as rewritten:

11       "(c) The following persons may not be issued a ~~license, registration, or permit~~license  
12 under this Chapter:

13           (1) A sworn court official.

14           (2) A holder of a company police commission under Chapter 74E of the General  
15 Statutes."

16       **SECTION 10.** G.S. 74C-13(a) reads as rewritten:

17       "(a) It shall be unlawful for any person performing private protective services duties to  
18 carry a firearm in the performance of those duties without first having met the qualifications of  
19 this section and having been issued a firearm registration permit by the Board. A licensee shall  
20 register any individual carrying a firearm within 30 days of employment. Before engaging in  
21 any private protective services activity, the individual shall receive any required training  
22 prescribed by the Board."

23       **SECTION 11.** G.S. 74C-14 is repealed.

24       **SECTION 12.** G.S. 74C-21(a) reads as rewritten:

25       "(a) No law enforcement officer of the United States, this State, any other state, or any  
26 political subdivision of a state shall be licensed as a private ~~detective~~detective, digital forensics  
27 examiner, or security guard and patrol licensee under this Chapter."

28       **SECTION 13.** Chapter 74C of the General Statutes is amended by adding a new  
29 section to read:

30       "**§ 74C-23. Acquisition or change of ownership or control of licensed firm, association, or**  
31 **corporation.**

32       In the event a company, firm, or corporation, including a limited liability corporation,  
33 licensed under this Chapter transfers ownership, control, or a majority of assets to another  
34 person, firm, association, or corporation, the person, firm, association, or corporation acquiring  
35 control or ownership shall have the following responsibilities:

36           (1) Notify the Director of the acquisition or change of ownership or control by  
37 registered mail within five business days from the date of the transaction.

38           (2) Describe the transaction that has occurred by providing the following  
39 information:

40           a. The name and address of the registered agent of the party acquiring  
41 control or ownership or otherwise succeeding the licensee.

42           b. The name and address of the acquiring party, including each  
43 individual owner of any interest in the party or, if the party is a  
44 corporation, each officer of the corporation and member of the board  
45 of directors.

46           c. Any change in location of any branch office.

47           d. Any change in insurance or bonding limits.

48           (3) Return to the Director all licenses held by the licensee within five business  
49 days from the date of the transaction if the acquiring party does not continue  
50 to operate the business under its previous name and license.



- 1           (4) Provide to the Director within 60 calendar days from the date of the  
2           transaction the following:  
3           a.     A list of all registrants or licensees affected by the transaction.  
4           b.     Written confirmation of completion of any changes necessary for the  
5           acquiring party to comply with the requirements of this Chapter or  
6           any applicable rules adopted by the Board on a form approved by the  
7           Director."

8           **SECTION 14.** G.S. 74C-30 reads as rewritten:

9   "Article 2.

10   "Private Protective Services ~~Recovery~~ Education Fund.

11           **"§ 74C-30. Private Protective Services ~~Recovery~~ Education Fund created; payments to**  
12           **Fund; management; use of funds.**

13           (a) There is hereby created and established a special fund to be known as the "Private  
14           Protective Services ~~Recovery~~ Education Fund" (hereinafter Fund) which shall be set aside and  
15           maintained in the Office of the State Treasurer. ~~Said~~ The Fund shall be used in the manner  
16           provided in this Article for the ~~payment of claims where the aggrieved person has suffered a~~  
17           ~~direct monetary loss by reason of certain acts committed by any person licensed under this~~  
18           ~~Chapter.~~ education of licensees and registrants as deemed appropriate by the Board.

19           (b) ~~Nothing contained in this Article shall limit the authority of the Board to take~~  
20           ~~disciplinary action against any licensee or trainee under this Chapter, nor shall the repayment in~~  
21           ~~full or all obligations to the Fund by any licensee or trainee nullify or modify the effect of any~~  
22           ~~other disciplinary proceeding brought under this Chapter.~~

23           (c) In addition to the fees provided for elsewhere in this Chapter, the Board shall charge  
24           the following fees which shall be deposited into the Fund:

25                   (1) Repealed by Session Laws 2007-511, s. 10.

26                   (2) The Board shall charge each new applicant for a licensee or trainee permit  
27                   fifty dollars (\$50.00), provided that for purposes of this Article a new  
28                   applicant is hereby defined as an applicant who did not possess a license or  
29                   trainee permit on July 1, 1983; and

30                   (3) The Board is authorized to charge each licensee and trainee an additional  
31                   amount, not to exceed fifty dollars (\$50.00), on July 1 of any year in which  
32                   the balance of the Fund is less than twenty-five thousand dollars (\$25,000),  
33                   provided that any amount so assessed will be only so much as is needed to  
34                   raise the level of the Fund to twenty-five thousand dollars (\$25,000).

35           (d) The State Treasurer shall invest and reinvest the moneys in the Fund in a manner  
36           provided by law, ~~provided that sufficient liquidity shall be maintained to satisfy claims~~  
37           ~~authorized by the Board. The proceeds from the investments shall be deposited to the credit of~~  
38           ~~the Fund.~~ law. The ~~Board~~ Board, in its discretion, may use ~~any and all of the proceeds from the~~  
39           ~~investments or funds that exceed twenty-five thousand dollars (\$25,000)~~ the Fund for any of  
40           the following purposes:

41                   (1) To advance education and research in the private protective services field for  
42                   the benefit of those licensed or registered under the provisions of this  
43                   Chapter and for the improvement of the industry.

44                   (2) To underwrite educational seminars, training centers and other educational  
45                   projects for the use and benefit generally of ~~licensees~~ licensees, registrants,  
46                   and trainees.

47                   (3) To sponsor, contract for and to underwrite any and all additional educational  
48                   training and research projects of a similar nature having to do with the  
49                   advancement of the private protective services field in North Carolina. The  
50                   Board shall have the authority to sponsor courses given by private  
51                   individuals, associations, or corporations. However, the Board shall only

1 grant funds as necessary to offset the actual cost of the educational course.  
2 Any individual, association, or corporation receiving grant money from the  
3 Board shall make the course available to the industry at large. Any  
4 individual, association, or corporation receiving grant money from the Board  
5 and advertising the course to the industry is required to include in its  
6 advertising the following statement: "The course is being given in whole or  
7 in part by a grant from the Private Protective Services Board."

8 (e) By a unanimous vote of the Board, funds in the Fund in excess of fifty thousand  
9 dollars (\$50,000) may be converted to offset the operating expenses of the Board. However, in  
10 converting the funds, the Board shall make findings of fact by a written order or resolution  
11 supporting the need to make the conversion."

12 **SECTION 15.** G.S. 74C-31, 74C-32, and 74C-33 are repealed.

13 **SECTION 16.** This act is effective when it becomes law.