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Board of Private Detective and Protective Agent Services

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<https://dps.mn.gov/entity/pdb/Pages/default.aspx>

AT A GLANCE

- The Minnesota Board of Private Detective and Protective Agent Services (MNPDB) regulates approximately 400 private detective and protective agent license holders.
- There are approximately 13,000 security personnel in the State of Minnesota.
- MNPDB certifies more than 1,500 training courses.
- MNPDB's stakeholders include legislators, law enforcement, other state agencies, associations, the media, license holders, and the general public.

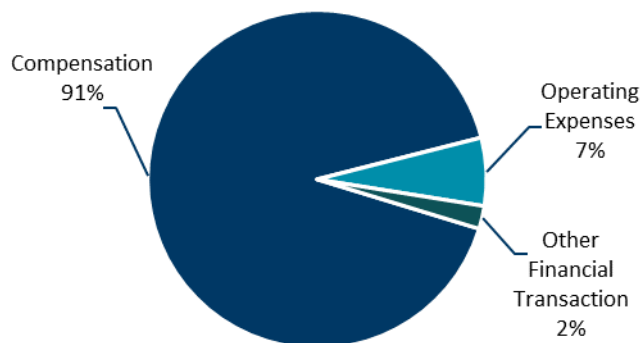
PURPOSE

The mission of the Private Detective and Protective Agent Services Board (MNPDB) is to ensure that investigative and security service license holders meet and maintain statutory qualifications, standards, and requirements. This includes meeting criteria in criminal background checks, educational requirements, proof of financial responsibility, and ensuring that license holders are acting responsibly and in the best interest of their clients.

With public safety and consumer protection as primary goals, the agency investigates complaints against license holders and violations of statutes. It also provides support to law enforcement and the courts regarding unlicensed activity and police impersonation and works towards increasing the quality of the industry.

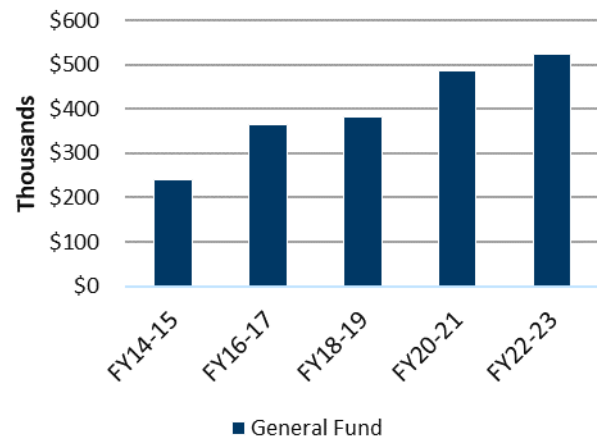
BUDGET

**Spending by Category
FY 2023 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

STRATEGIES

Streamlining Procedures: MNPDB has implemented several initiatives to process applications, renewals, complaints, officer changes, training certifications, and data privacy requests more quickly. These include the executive director approving training and instructors within 48 to 72 hours of receipt, simplifying and revising forms, revising the license renewal process, conducting data practice reviews, engaging in the retention schedule and holding only required material, and working with license holders to resolve issues before going to the board. MNPDB is implementing an electronic record management system, and it continuously reviews and revises its own processes to increase efficiency.

Website Revision: MNPDB is part of the Department of Public Safety's new website implementation. This will increase customer's ease of use in locating specific information, and it allows the board to add additional pertinent details and guidance.

Complaints, Investigations, and Audits: License holders and non-licensed security agencies, along with certified training courses, are audited and investigated by MNPDB. The agency investigates all complaints and processes them as instructed by the board.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Quantity	Applications processed	Internal agency spreadsheets and paper records	43 processed in fiscal year (FY) 2023	52 processed in FY 2024
Quantity	Renewal applications processed	Internal agency spreadsheets and records	111 processed in FY 2023	116 processed in FY 2024
Quality	Training courses reviewed and approved	Internal agency spreadsheets and records	61 reviewed and approved in FY 2023	136 reviewed and approved in FY 2024
Quality	Complaints and investigations	Internal agency spreadsheets and records	Ten investigations completed in FY 2023	18 investigations initiated in FY 2024; Ten investigations are completed and eight are ongoing

MN Statutes 326.32-326.339 (<http://www.revisor.mn.gov/statutes/cite/326>) provides the legal authority for MNPDB.

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
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Expenditures by Fund

1000 - General	262	263	330	1,116	689	689	697	706
Total	262	263	330	1,116	689	689	697	706
Biennial Change				922		(68)		(43)
Biennial % Change				176		(5)		(3)
Governor's Change from Base								25
Governor's % Change from Base								2

Expenditures by Program

Private Detectives and Protective Agents Bd	262	263	330	1,116	689	689	697	706
Total	262	263	330	1,116	689	689	697	706

Expenditures by Category

Compensation	245	240	318	539	563	563	571	580
Operating Expenses	17	17	13	577	126	126	126	126
Other Financial Transaction		6						
Total	262	263	330	1,116	689	689	697	706

Full-Time Equivalents

3.12	3.00	3.51	5.50	6.00	6.00	6.00	6.00
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(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
1000 - General								
Balance Forward In		24		428				
Direct Appropriation	282	288	758	688	689	689	697	706
Cancellations		49						
Balance Forward Out	20		428					
Expenditures	262	263	330	1,116	689	689	697	706
Biennial Change in Expenditures				922		(68)		(43)
Biennial % Change in Expenditures				176		(5)		(3)
Governor's Change from Base								25
Governor's % Change from Base								2
Full-Time Equivalents	3.12	3.00	3.51	5.50	6.00	6.00	6.00	6.00

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1000 - General				
FY2025 Appropriations	688	688	688	1,376
Base Adjustments				
Minnesota Paid Leave Allocation		1	1	2
Forecast Base	688	689	689	1,378
Change Items				
Operating Adjustment		8	17	25
Total Governor's Recommendations	688	697	706	1,403
Revenue Change Summary				
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	204	204	204	408
Total Governor's Recommendations	204	204	204	408

Board of Private Detective and Protective Agent Services

FY 2026-27 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	8	17	17	17
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	8	17	17	17
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding of \$8 thousand in FY 2026 and \$17 thousand in each subsequent year from the general fund to help address operating cost increases at the Board of Private Detective and Protective Agent Services.

Rationale/Background:

The cost of operations rises each year due to increases in employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related costs. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat year to year. This recommendation provides additional resources to help address these cost pressures and pay for agency operations.

Agencies face challenging decisions to manage these rising costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources. For FY 2026-27, agencies will need to continue to find additional efficiencies and leverage management tools to help address budget pressures. Holding open vacancies in certain programs or delaying hiring in other programs are examples of ways agencies manage through constrained operating budgets. Such decisions are difficult and must be weighed against a program's ability to conduct business with less staffing and its impact to service delivery.

Proposal:

The Governor recommends increasing agency operating budgets to support current services. For the Board of Private Detective and Protective Agent Services, this funding will help cover expected growth in employee compensation and insurance, and other operating costs.

Dollars in Thousands

Net Impact by Fund	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	8	17	25	17	17	34

Results:

This recommendation is intended to help the Board of Private Detective and Protective Agent Services address rising cost pressures and mitigate impacts to current levels of service and information to the public.