

# HOUSE BILL REPORT

## ESHB 1180

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*As Passed House  
March 18, 1991*

**Title:** An act relating to licensing private security guards.

**Brief Description:** Licensing private security guards.

**Sponsor(s):** By House Committee on Commerce & Labor  
(originally sponsored by Representatives Cole, Heavey, Jacobsen, R. King, Zellinsky, Jones, Prentice, Vance, Rayburn, Franklin, Scott, Wood, Bowman, Neher, Winsley, D. Sommers, Paris, Van Luven, Forner, Edmondson, Miller, Appelwick and Brekke).

**Brief History:**

Reported by House Committee on:  
Commerce & Labor, February 26, 1991, DPS;  
Appropriations, March 9, 1991, DPS(CL)-A;  
Passed House, March 18, 1991, 85-13.

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**HOUSE COMMITTEE ON  
COMMERCE & LABOR**

**Majority Report:** *That Substitute House Bill No. 1180 be substituted therefor, and the substitute bill do pass.*  
Signed by 11 members: Representatives Heavey, Chair; Cole, Vice Chair; Fuhrman, Ranking Minority Member; Lisk, Assistant Ranking Minority Member; Franklin; Jones; R. King; O'Brien; Prentice; Vance; and Wilson.

**Staff:** Jim Kelley (786-7166).

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**HOUSE COMMITTEE ON  
APPROPRIATIONS**

**Majority Report:** *The substitute bill by Committee on Commerce & Labor be substituted therefor and the substitute bill as amended by Committee on Appropriations do pass.*  
Signed by 25 members: Representatives Locke, Chair; Inslee, Vice Chair; Spanel, Vice Chair; Silver, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Appelwick; Belcher; Bowman; Braddock; Brekke; Dorn; Ferguson; Fuhrman; Hine; May; McLean; Mielke; Nealey; Peery; Pruitt; Rust; Sprengle; Valle; Vance; and Wineberry.

**Minority Report:** *Do not pass.* Signed by 1 member:  
Representative Wang.

**Staff:** Susan Kavanaugh (786-7130).

**Background:** Since 1987, the Washington State Legislature has considered proposals to regulate the private security guard industry. Some industry and law enforcement representatives have expressed the following concerns with the current system of local regulation:

- 1) consumers are not assured of competent practitioners who are able to provide the services contracted for;
- 2) private security companies cannot be assured that the individuals they hire are free of a criminal history that may pose a threat to public health and safety, unless the companies request and pay for their own background checks of applicants; and
- 3) existing local regulation, to the extent it exists, places an unfair burden on private security companies in some localities and is inadequate in others.

In 1988, the Department of Licensing conducted a sunrise review of the private investigator and private security guard industries at the written request of the chair of the House Committee on Commerce and Labor. As a result of the sunrise review, the department made the following recommendations regarding private security guards:

- 1) that no state licensing of private security guards be required at this time;
- 2) that the Legislature undertake a separate review of existing statute law to safeguard the public against abuse or erosion of their civil rights by private security guards; and
- 3) that the Legislature undertake a separate review of the question of whether personnel employed by public law enforcement agencies should be allowed to work in the private security industry.

The sunrise review concluded that there is a need for regulation but that the establishment and enforcement of standards, at this time, can be addressed at the local level.

**Summary of Bill:** A uniform statewide licensing scheme is established for private security guards and private security

companies, to be administered by the Department of Licensing.

#### Requirements for obtaining a license

To obtain a license as a private security guard a person must: be at least 18 years of age; be a United States citizen or a resident alien; not have been convicted in the last 10 years of a crime that is related to the duties of a private security guard; be employed by or have an employment offer from a private security company or be licensed as a private security company; satisfy the training requirements; submit a set of fingerprints; and pay the required fee.

To obtain an armed private security guard license, a person must be licensed as a private security guard, be at least 21 years old and have a current firearms certificate issued by the criminal justice training commission.

To obtain a license as a private security company a person must be 21 years old and pass an examination or have had at least three years of experience as a supervisor in the private security business and meet the insurance requirements of this chapter.

#### Licenses

After receiving an application for a license, the director will conduct a background investigation of the applicant, including fingerprint comparison. The director will issue a license card to each licensed security guard and armed security guard. The card may not be used as security clearance or identification and must be carried whenever the security guard is working.

The director will issue a license certificate to each licensed private security company. The certificate must be posted at the premises described in the license. Any advertisement must contain the name of the licensee, the address of record, and the license number.

A licensed private security company may issue an employee a temporary registration card after the employee has completed preassignment training and submitted an application for a license card. The temporary registration card is valid until a license card is issued or denied by the department.

#### Training

The director of the Department of Licensing will adopt rules establishing preassignment training requirements and the procedure for obtaining and renewing all licenses under this

chapter. Preassignment training will include at least four hours of classes. Firearms training will be administered by the criminal justice training commission.

#### Reciprocity

A private security guard who changes his or her permanent residence to this State from another state with equivalent certification requirements may become licensed upon the payment of a processing fee. A valid license issued by another state is valid in this State for 90 days if the licensee is on temporary assignment for the same employer that employs the licensee in his or her home state. Private security guards whose duties require them to operate across state lines may operate in this State if the director determines that the state that licensed the security guard has training, insurance and certification requirements at least equal to this State.

#### Insurance

A private security company must carry comprehensive general liability insurance of at least \$25,000 for bodily injury and \$25,000 for property damage.

#### Unlawful Acts

It is a gross misdemeanor for a person to act as a private security guard or an armed private security guard, or to own or operate a private security company without a license. A private security guard commits a gross misdemeanor if he or she:

- 1) attempts to use the license of another;
- 2) gives false or forged evidence to the director in obtaining a license;
- 3) falsely impersonates another licensee;
- 4) attempts to use an expired or revoked license; or
- 5) violates any of the provisions of this chapter.

#### Grounds for discipline or denial or revocation of a license

There are 21 prohibited acts that are grounds for disciplinary action or denial or revocation of a license:

- 1) knowingly violating any provision of this chapter;
- 2) practicing fraud, deceit, or misrepresentation;

- 3) knowingly making a material misstatement in the application process;
- 4) not meeting the qualifications of this chapter;
- 5) failing to return a firearm immediately upon demand;
- 6) carrying a firearm without a valid armed security guard license or carrying a firearm not meeting the provisions of this chapter;
- 7) failing to return a uniform, badge or other equipment immediately on demand;
- 8) making a statement that would reasonably cause another person to believe that he or she is a police officer;
- 9) divulging confidential information that may compromise the security of any premises to which he or she was assigned;
- 10) conviction of a gross misdemeanor or felony or any act involving moral turpitude, dishonesty, or corruption;
- 11) misrepresentation or concealment of a material fact in obtaining or reinstating a license;
- 12) false, fraudulent, or misleading advertising;
- 13) incompetence or negligence that results in or creates an unreasonable risk of injury to a person;
- 14) suspension, revocation, or restriction of the individual's license to practice by competent authority in any state, federal, or foreign jurisdiction;
- 15) failure to cooperate with the director in an investigation;
- 16) failure to comply with an order of the director;
- 17) aiding or abetting unlicensed practice;
- 18) misrepresentation or fraud in any aspect of the conduct of the business or practice;
- 19) failure to adequately supervise employees so that the public health or safety is at risk;
- 20) willful misrepresentation of facts before the director or using threats or harassment against a client or

witness in an investigation or disciplinary proceeding;  
or

21) assigning or transferring a license.

#### Director's authority

The director is given authority to: amend and rescind rules; issue subpoenas and administer oaths; take depositions; compel attendance of witnesses; conduct practice reviews; order summary suspension in emergencies; use the office of administrative hearings; enter into contracts for professional services; adopt standards of professional conduct; impose sanctions for unprofessional conduct; enter into an assurance of discontinuance in lieu of issuing a statement of charges or conducting a hearing; and compel attendance of witnesses at hearings.

The director may enforce the payment of unpaid fines in superior court.

#### Civil action

Any person or governmental agency may maintain an action to enjoin any unlicensed person from continuing to engage in the profession. A civil penalty of up to \$25,000 may be imposed on a person that violates an injunction.

#### Medical examinations

If the director has reason to believe that a licensee or applicant may be unable to safely perform the job of a security guard because of a mental or physical condition, the director may order the licensee or applicant to submit to a medical examination as a condition of licensure.

#### Immunity from suit

The director and individuals acting on the director's behalf are immune from suit based on official acts performed in the course of their duties under this chapter.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** (Commerce & Labor) (original bill): This is a consumer protection bill. People have a false sense of security when they hire private security guards. Security guards are perceived by the public as police officers. For every one police officer there are two security guards and

yet they are not regulated by the State. We need to find out more about these people before they are placed in a position of trust.

(Appropriations) None.

**Testimony Against:** (Commerce & Labor) (original bill): This is setting up the State against local law enforcement and security guards and it may cause resentment. The insurance requirement is too low. The bill needs major changes to satisfy the department.

(Appropriations) None.

**Witnesses:** (Commerce & Labor) Steve Lindstrom, Industry (in favor); Jeff Kirby, Washington State Security Council (in favor); Bob Bourgoin, Northwest Protective (in favor); James Lonsbery, Loomis Armored (in favor); Jim Scott, Criminal Justice Training Commission (in favor); Captain Tim Erickson, Washington State Patrol (in favor); John Keith, Department of Licensing (in favor); and Tony Sexton, Private Investigator (opposed).

(Appropriations) None.