

**PRESENTATION OF THE  
BOARD OF PRIVATE DETECTIVES  
AND GUARDS**

TO THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION AND COMMERCE

TWENTY-SEVENTH LEGISLATURE  
Regular Session of 2014

Monday, March 17, 2014  
2:10 p.m.

**TESTIMONY ON SENATE BILL NO. 2486, S.D. 1, RELATING TO PRIVATE  
GUARDS.**

TO THE HONORABLE ANGUS L. K. MCKELVEY, CHAIR,  
AND MEMBERS OF THE COMMITTEE:

My name is Kenneth Chang, member of the Board of Private Detectives and Guards ("Board"). Thank you for the opportunity to testify in strong support of Senate Bill No. 2486, S.D. 1, which proposes to: 1) revise the continuing education requirement to four hours every two years instead of four hours every year; 2) delay the continuing education requirement from the June 30, 2014 renewal cycle to the June 30, 2016 renewal cycle; 3) repeal the sunset date of Act 208, SLH 2010 to make permanent the registration requirements for guards or any other employee acting in a guard capacity, and 4) indicate June 29, 2014 as the effective date of this measure since the continuing education requirements are scheduled to go into effect June 30, 2014.

The Board just completed the initial registration of approximately 9,000 guard employees in 2013. Since initial registration already includes an educational component, all 9,000 newly registered guard employees have recently completed mandatory training. As such, the Board, industry, and registrants are in need of relief

from the continuing education requirement scheduled for the June 30, 2014 renewal. While the Board has established the mandatory continuing education curriculum and has posted it on its website, curriculum providers and employers intending to do in-house training of the continuing education need time to develop their course offerings, receive Board approval, and deliver the training. The Board concurs with the requirement on page 3, lines 15-16 of this measure that a refresher component on professional image and aloha training is necessary and is happy to report that this topic is included in the Board's four-hour continuing education curriculum posted on its website. Delaying the continuing education requirement to June 30, 2016 still preserves the importance of continued training to the registrant, industry, and the public, but provides the necessary time for development, administration, and implementation.

The Board and industry concur that the four-hour requirement should be changed from an annual requirement to a biennial requirement, and believes that four hours every two years is sufficient to ensure that guard employees are kept abreast of current trends in the guard industry and to refresh employees on important training concepts included in their initial eight-hour training curriculum.

Also, the Board and industry thoroughly support making the registration requirements for employees acting in a guard capacity permanent. While the Board completed what seemed a daunting task, the registration of approximately 9,000 guards, there is still work to be done to continue the Legislature's vision.

Further, the Board supports the June 29, 2014 effective date of the measure. Effectuating this Act prior to the June 30, 2014 commencement of the continuing education requirement insures the delay to June 30, 2016.

For these reasons, the Board strongly supports the passage of Senate Bill No. 2486, S.D. 1.

Thank you for the opportunity to testify on Senate Bill No. 2486, S.D. 1.

March 15, 2014

The Honorable Angus McKelvey  
Chair, House Committee on Consumer Protection & Commerce  
Hawaii State Capitol, Room 320  
Honolulu, Hawaii 96813

The Honorable Derek Kawakami  
Vice Chair, House Committee on Consumer Protection & Commerce  
Hawaii State Capitol, Room 314  
Honolulu, Hawaii 96813



HEARING: Monday, March 17, 2014  
2:10 p.m.  
Conference Room 325  
State Capitol, Honolulu, HI 96813

**RE: SB2486 SD 1- Private Guards; Continuing Education; Registration; Licensure**

Dear Chair McKelvey, Vice Chair Kawakami and Members of the Committee,

On behalf of the Retail Merchants of Hawaii (RMH), thank you for the opportunity to provide testimony in opposition to S.B. 2486 SD1, which would make permanent the registration and licensure requirements for private guards and individuals acting in a guard capacity by repealing the sunset date of Act 208, Session Laws of Hawaii 2010 (SD1).

Retail Merchants of Hawaii (RMH) is a not-for-profit trade organization representing over 200 members and over 2,000 storefronts statewide. The retail industry is one of the largest employer in the state, employing 25% of the labor force. RMH, specifically its security committee members, made up of 85% of the managers representing small to large retailers on the Islands feel very strongly that including retailers in guard regulations does not appear to comport with the intent of the statute. Imposing these regulations on a private business would impede retailers from conducting their business and will inevitably place cost on consumers.

The consumer protection perspective is understood for the board of private detectives and guards to have oversight of private investigators, guard agencies, and guards with agency-client relationships to protect individuals or companies that employ them. However, holding retailers that have employer-employee relationships to the same standard will cause unintended consequences as it does not serve to protect consumers or the general public.

RMH respectfully request that you oppose SB2486 SD1 or request that you reestablish the exemption for retailers who employ personnel and have an employer-employee relationship.

Thank you for your consideration and the opportunity to comment. Should you have any questions, please feel free to contact Sheri Sakamoto at (808) 592-4200 or [ssakamoto@mhawaii.org](mailto:ssakamoto@mhawaii.org).

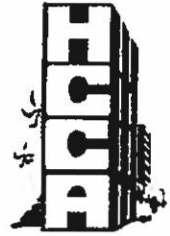
Sincerely;

*Sheri N. Sakamoto*

Sheri N. Sakamoto  
President



**Hawaii Council of Associations  
of Apartment Owners**  
**DBA: Hawaii Council of Community Associations**  
1050 Bishop Street, #366, Honolulu, Hawaii 96813



March 11, 2014

Rep. Angus McKelvey, Chair  
Rep. Derek S.K. Kawakami, Vice-Chair  
House Committee on Consumer Protection & Commerce

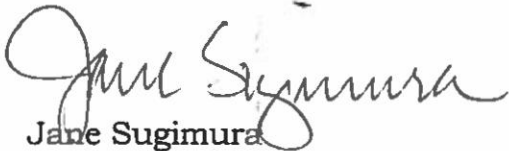
Re: SB2486, SD1 RELATING TO PRIVATE GUARDS  
Hearing: Mon., March 17, 2014, 2:10 p.m., Conf. Rm. #325

Chair McKelvey, Vice-Chair Kawakami and Members of the Committee:

I am Jane Sugimura, President of the Hawaii Council of Associations of Apartment Owners (HCAAO dba HCCA).

HCAAO was a member of the task force appointed pursuant to Act 208 to assist the Board of Private Detectives and Guards (the "Board") implement the provisions of that law. Accordingly, we are familiar with the issues being addressed by this bill and HCAAO is in agreement with the testimony of the Board in support of this bill. Therefore, we ask that you pass it out of this Committee.

Thank you for the opportunity to testify on this matter.

  
Jane Sugimura  
President



Executive Officers:  
Stanley Brown, ConAgra Foods - Chairperson  
John Schilf, RSM Hawaii - Vice Chair  
Derek Kurisu, KTA Superstores - Treasurer  
Lisa DeCoito, Aloha Petroleum - Secretary  
Lauren Zirbel, Executive Director

1050 Bishop St. PMB 235  
Honolulu, HI 96813  
Fax : 808-791-0702  
Telephone : 808-533-1292

TO:  
HOUSE COMMITTEE ON  
Rep. McKelvey, Chair  
Rep. Kawakami, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION  
Lauren Zirbel, Executive Director

DATE: March 17, 2014  
TIME: 2:10pm  
PLACE: Conference Room 325

RE: SB 2486

Position: Opposition

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers and distributors of food and beverage related products in the State of Hawaii.

We believe that the registration and education requirements of Act 208 should not be made permanent. Retail establishments employ loss prevention or asset protection personnel to prevent losses to the company and protect the bottom line. With the type of requirements currently in place businesses that employ loss prevention or asset protection personnel end up paying for training, registration, background checks, and compensating the employee for time spent doing these things. This creates a financial burden for these businesses that negatively affects their bottom line and can hinder their ability to conduct their business.

While this bill lessens the requirements somewhat it still does not address the fact that retailers will continue to cover the costs of activities which are not part of the employee's responsibility to the company, and for which the company receives no added benefit.

Retailers protecting their own property were previously exempted from these types of requirements. These exemptions existed, and made sense, because it was understood that retailers have the greatest vested interest in making sure that loss prevention or asset protection personnel that they employ adhere to the highest professional standards and have the best training to meet the needs of their employer. These regulations do not accomplish those goals and create a financial burden for businesses the cost of which must inevitably be passed along to the consumer.

What is best for Hawaii retailers, and for Hawaii consumers, is to reestablish the exemption for retailers and to not make permanent the registration and licensure requirement for guards.

Thank you for the opportunity to testify.

# sullivan

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FAMILY OF COMPANIES

3536 Harding Avenue  
Honolulu, HI 96816  
Telephone: (808) 440-2421  
Fax: (808) 678-8285

TO: House Committee on Consumer Protection & Commerce  
Rep. McKelvey, Chair  
Rep. Kawakami, Vice Chair

FROM: Sullivan Family of Companies  
Carla J. Chu, Director of Security

DATE: March 17, 2014

TIME: 2:10 pm

PLACE: Conference Room 325

RE: SB 2486

Position: Opposition

The Sullivan Family of Companies is comprised of five entities conducting retail business under such names as Foodland, Foodland Farms, Sack N Save, Foodland Gas, Gas N Go, Foodland Pharmacy, R. Field Wine Company, Food Pantry, Accents, Coco Cove, E - Z Discount Stores, Kohala Bay Collections, Lahaina Discount, Lamonts, Napili Market, Oasis Lifestyle, Whaler's General Store, Malama Market, The Coffee Bean & Tea Leaf, Beard Papa, and HI Steaks.

We are opposed to the passage of SB 2486 as we believe the registration, training, and criminal history requirements of Act 208 (Session Laws of Hawaii 2010) should be allowed to sunset in 2016. If the legislature believes Act 208 should be made permanent, we ask that the exemption for employer-employee relationships be reinstated.

The board of private detectives and guards, as all boards under the Department of Commerce and Consumer Affairs, was established to "protect the general public" as the "board deems best suited to the public interest" as expressly stated in H.R.S. §463-3. Including retailers in these guard regulations does not appear to comport with the intent of the statute and it is overreaching the intent of the law. The consumer protection perspective is understood for the board of private detectives and guards to have oversight of private investigators, guard agencies, and guards with agency-client relationships to protect individuals or companies that employ them. However, holding retailers that have employer-employee relationships to the same standard is a non-sequitur as it does not serve to protect consumers or the general public.

Imposing these regulations on a private business impede the retailer from conducting their business. Obviously retail establishments are in the business of selling goods and our companies are for-profit companies. Please note our objective when hiring employees for this position is to prevent losses to our companies as to positively affect our bottom line. Our company bears the cost of registration, training, and criminal history checks along with paying employees for their time during these processes as we do not believe it fair to pass on the cost of these requirements to our employees. Not only is it unduly financially burdensome, but when we have to pay employees to do anything outside of their responsibilities to our companies it hinders our companies from meeting our own objectives.




I am sure that the Act was, in part, to protect consumers and the public; however, government regulation of a private company should be reserved for real protection and societal improvement, e.g., non-discrimination employment practices, safety standards, market fairness, etc. Subjecting a retailer to this regulation meets none of these needs. When the Bill (before it became an Act) was being discussed, it was argued that consumers needed protection from overzealous loss prevention agents. That argument was, and still is, absurd. Our companies, as well as others similarly situated, are already self-policing our agents and holding them accountable for adherence to our policies and procedures. If someone is harmed by our agent's failure to adhere to our policies and procedures, or if we fail to hold the agent accountable, the person harmed already has a civil remedy. Because of this, and because we live in a litigious society, the retailer has a genuine interest in managing our risks, in mitigating our liabilities, in ensuring our agents are not overzealous, and in ensuring that our agents always act in a professional manner. Prior lawmakers understood the above and retailers that protecting their own property were exempt from H.R.S. §463 until Act 208. We could have lived with the 2016 sunset date of Act 208; however, this bill seeks to repeal the sunset date and to make the registration and educational requirements permanent—thus, this testimony became necessary.

We are locally owned businesses and our companies are not immune to the economic crisis of this country and of this state. Our state already has a reputation of being one of the worst states in which to do business and this increased regulation on private businesses is consistent with that reputation. We should be allowed to manage and to run our businesses without this unjust and unduly burdensome regulation that should be limited to its intended purpose, i.e., to protect the public when it pertains to companies or individuals that hire professional guards or a guard service. We are not at all opposed to a higher professional standard for guards; however, those guards and loss prevention agents employed by a private industry retailer are disparate.

We ask that you either vote not to pass this bill or we ask that you reestablish the exemption in H.R.S. §463 for retailers who employ personnel and have an employer-employee relationship.

Thank you for the opportunity to testify on this matter.



Carla J. Chu  
Director of Security

**TESTIMONY OF LEE D. DONOHUE**

**TO THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION AND COMMERCE**

**TWENTY-SEVENTH LEGISLATURE  
Regular Session of 2014**

**Monday March 17, 2014  
2:10 p.m.**

**TESTIMONY ON SENATE BILL NO. 2486 SD-1, RELATING TO PRIVATE GUARDS**

**TO THE HONORABLE ANGUS L. K. MCKELVEY, CHAIR,  
AND MEMBERS OF THE COMMITTEE:**

My name is Lee D. Donohue. I am the Responsible Guard Licensee employed by Securitas Security Services USA, Inc. I am testifying in support of Senate Bill No. 2486 SD-1. The bill proposes to 1) revise the continuing education requirement to four hours every two years instead four hours every year; 2) delay the continuing education requirement from June 30, 2014 renewal cycle to the June 30, 2016 renewal cycle; and 3) repeal the sunset date of Act 208, SLH 2010 to make permanent the registration requirements for guards or any employee acting in a guard capacity.

**CEU's**

**I concur with the Board's position that the CEU requirement be reduced from eight hours biennially to four. As an industry representative I have also discussed this issue with a significant number of Responsible Principal Licensee's of Guard Agencies. Without exception, they too concur with the Board's position.**

**In addition to the twelve hours of mandatory training required by Act 208 (8 hours initial & 4 hours OJT) security guards undergo another eight (8) to sixty (60) hours of site or location/position specific training in the field, and oftentimes refresher or professional development training thereafter.**

**I have reviewed the testimony of individuals in favor of maintaining the eight hour CEU requirement. I am an for-profit Instructor approved by the State DCCA to conduct Training that complies with the requirements of ACT 208. Some of these stakeholders operate for-profit training enterprises and their opposition to the Board's position, in my opinion, is self-serving.**

**Thank you for the opportunity to provide testimony in support of SB 2486 SD-1.**



Lee D. Donohue  
Responsible Guard Licensee  
Securitas Security Services

**TESTIMONY OF ALBERT B. "SPIKE" DENIS, CPP**

TO THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION AND COMMERCE

TWENTY-SEVENTH LEGISLATURE  
Regular Session of 2014

Monday March 17, 2014  
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**TESTIMONY ON SENATE BILL NO. 2486 SD-1, RELATING TO PRIVATE GUARDS**

TO THE HONORABLE ANGUS L. K. MCKELVEY, CHAIR,  
AND MEMBERS OF THE COMMITTEE:

My name is Albert B. Denis. Since 2010 I have served on the Ad Hoc Committee of the Board of Private Detectives and Guards ("Board"). I along with other committee members have assisted the Board with implementation of Act 208, now codified as Section 10.5 of HRS 463.

Additionally, I am the Subordinate Guard Licensee and consultant employed by Securitas Security Services USA, Inc. I am testifying in support of Senate Bill No. 2486 SD-1. The bill proposes to 1) revise the continuing education requirement to four hours every two years instead four hours every year; 2) delay the continuing education requirement from June 30, 2014 renewal cycle to the June 30, 2016 renewal cycle; and 3) repeal the sunset date of Act 208, SLH 2010 to make permanent the registration requirements for guards or any employee acting in a guard capacity.

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**Thank you for the opportunity to provide testimony in support of SB 2486 SD-1.**

**LETTER IN OPPOSITION TO SB-2486 (Hearing 03/17/14 / 2:10 p.m. Committee: CPC )**

My name is Jeffrey Owens. I am a former member of the Board of Private Detectives and Guards, a member of the board's ad hoc committee; served on the board's task force that interpreted and implemented Act 208, a Licensed Principal Guard, and Guard Agency owner.

The intent of Act 208 was to increase the competency and professionalism of private security guards. Progress due to the training requirement of the Act has been made; and needs to be continued. SB-2486 seeks to reduce the continuing education requirement from four hours annually to four hours biannually and to change the compliance requirement from 2014 to 2016.

The benefits of annual training can be articulated. At a minimum, annual training improves guard competency; demonstrates that guards take seriously their commitment to professionalism; supports guards as a skilled occupation requiring legitimate qualifications; and promotes public confidence.

No benefits to a biannual standard have been put forth other than to provide undefined "relief" to the board, industry and registrants. All parties have had since 2010 to prepare to meet training and processing requirements in 2014; to now ask for "relief" because of a failure to use the four years forewarning to prepare to comply with the requirements of law is not justified.

While the board has registered approximately 9,000 guards that is only a portion of the persons who are currently employed in a guard capacity; and many of those who are registered are approaching the passage of a year or more since their initial training. Additional time is not needed for development and implementation of training since board approved continuing education training is in place and guards are already attending continuing education classes.

Historically, the board and the industry failed to establish standards or provide adequate training for guards; resulting in the need to legislate the training requirement through Act 208.

To now alter the law because a claim is made that relief is needed, without setting forth any benefit to the public to be derived from that relief, is not in the best interest of the public.

Moreover, changing the four hours continuing education from annual to biannual would allow a registrant to effectively go four years without relevant training. For example:

A person could renew their registration on June 30, 2014, complete their 4-hours continuing education requirement on July 1, 2014 and renew their registration June 30, 2016; then, they could complete their next continuing education requirement on June 29, 2018 and renew again on June 30, 2018; effectively going four years without training. Because the person would be in compliance with the law, no standard of the board would prevent this.

For these reasons I ask that you oppose SB-2486.

LETTER IN OPPOSITION TO SB-2486

*Matthew Li  
Private Guard  
Committee: CPC  
03/17/2014 / 2:10pm*

My name is *Li, Matthew*

I am writing in opposition to SB-2486 as it seeks to make changes that will be detrimental to the intent of Act 208, the guard industry, and to me as a security professional. I ask that you oppose SB-2486 for the following reasons.

The purpose of Act 208 was to ensure the competency and professionalism of private security guards, and it is the training mandate of Act 208 that has caused it to be effective in accomplishing that intent.

SB-2486 seeks to change the annual continuing education of Act 208 to biannual, and change the compliance requirement from June 30, 2014 until June 30, 2016.

Four hours over two years is clearly inadequate to continue overall improvement of the guard industry. Annual training not only advances the competency and professionalism of all who act in a guard capacity; it demonstrates our commitment to professionalism and establishes providing security as a skilled occupation requiring legitimate qualifications; and promotes public confidence.

Act 208 was passed in 2010, providing adequate time for all to prepare for the continuing education requirement of guard employee renewal. I am prepared to comply with the training requirement prior to the June 30, 2014 GDE license renewal date. The Board of Private Detectives and Guards has already approved a Four Hour Continuing Education program that security guards are attending, and there is time for all currently registered guards to meet the requirement before the 2014 renewal date.

Annual training as currently mandated by Act 208 is beneficial to registrants, their employers, and the general public. Annual training is important to ensure that all guards and those who act in a guard capacity, and the security industry, continue to advance as a profession.

Four hours on an annual basis is a minimum investment of time to keep guards and guard employees current with industry standards and refreshed in the areas of professionalism and aloha training.

I respectfully ask that you oppose SB-2486.

Kevin Stewart III  
PRIVATE Guard  
Committee: CPC  
03/17/2014 / 2:10 PM

LETTER IN OPPOSITION TO SB-2486

My name is *Kevin Stewart III*.

I am writing in opposition to SB-2486 as it seeks to make changes that will be detrimental to the intent of Act 208, the guard industry, and to me as a security professional. I ask that you oppose SB-2486 for the following reasons.

The purpose of Act 208 was to ensure the competency and professionalism of private security guards, and it is the training mandate of Act 208 that has caused it to be effective in accomplishing that intent.

SB-2486 seeks to change the annual continuing education of Act 208 to biannual, and change the compliance requirement from June 30, 2014 until June 30, 2016.

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Annual training as currently mandated by Act 208 is beneficial to registrants, their employers, and the general public. Annual training is important to ensure that all guards and those who act in a guard capacity, and the security industry, continue to advance as a profession.

Four hours on an annual basis is a minimum investment of time to keep guards and guard employees current with industry standards and refreshed in the areas of professionalism and aloha training.

I respectfully ask that you oppose SB-2486.

