

Honolulu, Hawaii
March 21, 2014

RE: S.B. No. 2486
S.D. 1
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2486, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PRIVATE GUARDS,"

begs leave to report as follows:

The purpose of this measure is to amend various provisions relating to private guards and individuals acting in a guard capacity by:

- (1) Reducing the continuing education requirement to four hours every two years;
- (2) Delaying the continuing education requirement to prior to the June 30, 2016, renewal cycle; and
- (3) Making permanent the registration and licensure requirements for private guards and individuals acting in a guard capacity.

The Board of Private Detectives and Guards, Hawaii Council of Associations of Apartment Owners, and a few individuals testified in support of this measure. Retail Merchants of Hawaii, Hawaii Food Industry Association, Sullivan Family of Companies, and several individuals testified in opposition to this measure.



Your Committee notes that to require continuing education for only four of the 2,080 business hours that private guards and individuals acting in a guard capacity could potentially work each year is not an unreasonable requirement.

Your Committee notes that the licensure of security guards who are furnished by a third party and do not come under the liability or control of the company hiring them is necessary to ensure public safety. However, comparable concern for the public safety does not arise with respect to loss prevention agents who provide their services exclusively and regularly to an employer pursuant to an employee-employer relationship. In circumstances where such an employee-employer relationship exists, employers could be held liable for the conduct of their employees. To mitigate exposure to risk and liability, employers have a genuine interest in actively ensuring that their employees conduct themselves professionally.

Accordingly, your Committee has amended this measure by:

- (1) Restoring the continuing education requirement to four hours annually;
- (2) Exempting loss prevention agents from private guard registration and licensure requirements;
- (3) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2486, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2486, S.D. 1, H.D. 1, and be referred to the Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



