

Honolulu, Hawaii

MAR 03 2017

RE: S.B. No. 1264
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 1264 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow security guards to meet all registration, instruction, and training requirements within sixty days of the first day of employment; and
- (2) Require security guard registration renewal to be no sooner than two years from an applicant's completion of initial registration.

Your Committee received testimony in support of this measure from Securitas Security Services USA, Inc.; and three individuals. Your Committee received testimony in opposition to this measure from the Board of Private Detectives and Guards.

Your Committee finds that this measure provides a sixty-day grace period during which security guards can be employed in a security guard capacity while awaiting completion of registration, instruction, and training requirements. However, your Committee has heard the concerns raised by the Board of Private Detectives and Guards (Board) that this measure will allow any person to act



as a guard without first being vetted by the Board to determine that all statutory requirements have been met, including the criminal history record check. According to testimony received by the Board, since the Board started its online application process in May 2016, the Board has found the criminal history record check to be one of the most important and informative steps in the application process, which often reveals essential criminal or conviction information about an applicant. Your Committee is concerned that this measure potentially exposes the public to harm and could expose the State to liability, if a member of the public was harmed by an individual working as a guard prior to a completed application review by the Board.

Your Committee further finds that this measure would also permit variable renewal dates based on an applicant's date of initial registration. According to the Board, a statutorily specified date enables an across-the-board renewal process, the use of online renewals, and a random audit to determine compliance with continuing education requirements. This measure could therefore add significant administrative burdens to the Board and the Department of Commerce and Consumer Affairs (Department).

Your Committee recognizes the difficulties that security guard companies face in trying to maintain adequate numbers of licensed security guards who can meet client expectations. Your Committee notes that the Department and the Board have been working to address the concerns of the security guard industry regarding the registration and renewal process for guard licensure. Furthermore, the Department and interested stakeholders have had an opportunity to discuss potential amendments to this measure that can reduce the time and cost of licensure for security guards and help streamline the registration process without compromising essential consumer protection. Amendments to this measure are therefore necessary to incorporate this compromise language.

Accordingly, your Committee has amended this measure by:

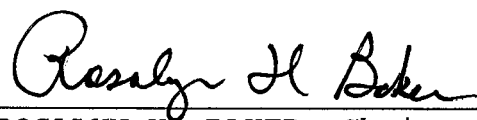
- (1) Allowing for self-attestation of the educational requirement for security guards as part of the application process;



- (2) Reducing the number of hours, from eight to four, of classroom instruction required before a security guard's first day of service;
- (3) Beginning June 30, 2018, reducing the frequency of the four-hour continuing education requirement from every biennial renewal to every other biennial renewal period;
- (4) Authorizing alternative formats for continuing education classroom instruction;
- (5) Removing language that would have permitted a security guard to meet all registration, instruction, and training requirements within sixty days of the first day of employment;
- (6) Removing language that would have permitted security guard registration renewal to be no sooner than two years from an applicant's completion of initial registration;
- (7) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1264, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1264, S.D. 1, and be placed on the calendar for Third Reading.

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



ROSALYN H. BAKER, Chair



