

February 12, 2025

To: Senate Committee On Judiciary

From: Department of Public Safety Standards and Training (DPSST)

Re: Senate Bill 300 -2, Relating to private security services

DPSST has no position on Senate Bill 300 -2. DPSST submitted written testimony on the base bill. Please reference that written testimony for the background information. This testimony focuses on the interpretation and application of the -2 amendment.

The -2 amendment would replace the proposed changes to the definition of a private security entity as shown in the base bill with a definition that uses language from ORS 658.405 for labor contractors. This includes transferring labor contractor terminology such as "worker" and "to perform labor." HB 2527 was modeled using many of the property service contractor requirements found in ORS Chapter 658. However, HB 2527 included adjustments for the terminology found in ORS Chapter 181A for private security.

Based on the definition used in the -2 amendment, the following types of private security businesses and organizations would continue to be subject to the private security entity licensing requirements:

- Companies that provide private security services "for hire"
- Alarm monitoring companies
- Armored car companies
- Executive/Personal protection services
- Employment agencies

It is unclear if a self-employed individual who performs private security services for another person falls under the definition of a private security entity.

Based on the agency's interpretation, a person who is a certified private security instructor and only delivering private security classes to private security professionals would not be a private security entity. Providing training is not considered performing private security services.

Based on the changes made to the definition of a private security entity, any person that employs private security professionals solely for use of and service to itself and not for others would no longer be required to obtain a private security entity license. This may apply to the following types of businesses and organizations that utilize private security services:

- Manufacturing (medications/drugs, clothing, computers, lumber, soil, airplanes, cannabis farms)
- Retail (loss prevention)
- K 12 school districts
- Government entities
- Utilities
- Healthcare
- Hospitality (bars, restaurants, clubs, theaters, concert halls, event venues, hotels, retirement homes, churches, campgrounds, cannabis dispensaries)

Entities that will no longer be subject to the private security entity licensing requirements will still have to follow the certification and licensure requirements that apply to private security providers. The bill will not change the certification and licensure requirements for individual private security providers. It will continue to be unlawful for an individual to engage in the business of or perform any service as a private security professional, instructor, executive manager, or supervisory manager without a DPSST private security certification or license. A person who employs someone to perform private security services will remain subject to civil penalties if they do not have an executive manager and the employees who are performing private security services are not certified or licensed private security providers.

The -2 amendment replaces the effective date of the base bill with an emergency clause that would make the measure effective on passage. This will ensure that persons who will no longer be subject to the private security entity licensing requirements are not required to renew or obtain a license by July 1, 2025 for the next annual private security entity licensing period.

Questions or requests for additional information may be directed to Jennifer Howald, DPSST Legislative Coordinator, at Jennifer.howald@dpsst.oregon.gov.