DPSST Private Security Entity Rules Advisory Committee
Minutes
July 23, 2026
2:00 – 4:00 P.M.

The DPSST Private Security Entity Rules Advisory Committee met on July 23, 2026. The meeting was hybrid via Teams and in person at the Department of Public Safety Standards and Training located at 4190 Aumsville Hwy SE, Salem, Oregon. Jennifer Howald called the meeting to order at 2:00 P.M.

Workgroup Members Present:
Zach Baker, Premier Products
Jason Bledsoe, Foresight Security Co.
Raul Herrera, Rapid Response
Tom Hoefft, CYA Security
Kainoa Pang, Coast to Coast Events
Jeremy Simer, SEIU

Workgroup Members Absent:
Jackie Gray, Succor Global and RAJ Sports

DPSST Staff Present:
Marie Atwood
Suzy Herring
Michael Holsapple
Jennifer Howald
Aiden Lewis
Carissa White

1. **<u>Introductions</u>**
   Jennifer Howald welcomed and thanked the workgroup members for their participation. Workgroup members introduced themselves, including the entity they work for and their current private security roles or experience. Staff members introduced themselves.

2. **<u>Workgroup Overview</u>**
   Jennifer Howald presented an overview of the Rules Advisory Committee, including public meeting processes, rulemaking procedures, and timelines. The terms Rules Advisory Committee (RAC) and workgroup are interchangeable.

   The purpose of this workgroup is to review the current rules and processes for licensing private security entities. The rules in OAR Chapter 259, Division 59 were originally adopted to implement the statutory licensing requirements that took effect January 1, 2024. DPSST amended OAR 259-059-0010 and 259-059-0020 in 2025 to update the definition of a private security entity after passage of SB 300. The rules have now been in place for two years, and the program is currently processing its second license renewal cycle. Through implementation and administration of the entity licensing program, DPSST has identified program and rule changes that would improve processing efficiency, enforcement, and overall clarity.

To facilitate a comprehensive review of the private security entity licensing rules, DPSST prepared draft rule revisions and identified specific discussion items for the workgroup to consider.

Workgroup feedback and discussion during the meetings helps DPSST evaluate operational and fiscal impacts, identify unintended consequences, and improve clarity where needed. Following the workgroup meetings, DPSST will revise the draft rules as appropriate and prepare the version that will move forward in the formal public rulemaking process. Not every topic raised during the meetings will move forward. The goal is to identify the best fit for both the industry and the Department.

The tentative steps and timelines for the workgroup and rulemaking process were shared as follows:

- July and August 2026 – workgroup discussions and recommendations, DPSST draft rule development
- October 2026 – Board on Public Safety Standards and Training (Board) review of recommendations and the supporting rules
- November 2026 – Rules become Proposed Rule Changes and there is an opportunity for public comment
- January 2027 – Adoption of permanent rule changes

Note: All dates are subject to change. Substantive public comments may extend the timeline.

Definition of substantive comments: Comments that identify potential issues or express concern with a policy, procedure, or fiscal impact. General approval/disapproval or unrelated comments are reviewed but may not affect rule adoption.

3. **Review of Draft Changes for Oregon Administrative Rules (OAR) Chapter 259 Division 59, the Private Security Entity Licensing Program**

Note: Agenda items 3 & 4 were reviewed together.

Jennifer Howald provided an overview of each rule, including the rule's purpose and the draft rule changes prepared by DPSST. The following provides a summary of the workgroup discussion.

OAR 259-059-0010:

The workgroup did not identify any concerns with the draft rule changes.

Staff noted for the record that definition (13) "Qualified Designee" included amendments to delete reference to a governmental entity as a type of entity that is eligible to utilize a qualified designee as the entity representative for a private security entity. This change is the result of the changes to the definition of a private security entity under Senate Bill 300 (2025). The revisions are included in Attachment A but notation of the change was unintentionally left out of the memo summary.

OAR 259-059-0020:

The workgroup did not identify any concerns with the draft rule changes.

When reviewing who is required to be licensed as a private security entity and who is not considered a private security entity, the workgroup asked about the distinctions between alarm monitors and alarm installers, why one group is required to have certification and not the other.

Alarm monitors perform private security services as defined in ORS 181A.840 (9), such as but not limited to:

(a) Observing and reporting unlawful activity.

(b) Preventing or detecting theft or misappropriation of goods, money or other items of value.

(c) Protecting individuals or property, including but not limited to proprietary information, from harm or misappropriation.

There are specific exemptions in ORS 181A.845 (1) that apply to:

(g) A person who monitors alarm systems that are not designed to detect threats to public safety or personal well-being.

(i) A person who repairs and installs intrusion alarms while repairing or installing intrusion alarms.

Because of the statutory exemptions, alarm installation and alarm technicians are not required to have private security certifications or licenses.

OAR 259-059-0030:

The workgroup did not identify any concerns with the draft rule changes.

OAR 259-059-0040:

See section 4.a. under Review of Discussion Topics for the summary of the discussion on changing the date of the licensing period.

See section 4.b. under Review of Discussion Topics for the summary of the discussion on whether to offer options for a multi-year license.

Discussion of draft rule changes for OAR 259-059-0040 (6). The workgroup asked questions related to the draft changes in section (6), which require notification when a private security entity is sold or ownership is transferred, and require the new owner to apply for a private security entity license. Discussion focused on whether an existing license can be transferred to a new owner.

Staff clarified that the draft rule changes only add language to include ownership transfers, and that current rules already require a new owner to submit a new private security entity license application. A change in ownership triggers a new review of Character, Competence, and Reliability (CCR) to ensure the new owners and operations meet licensing standards, including verification of business tax compliance, general liability insurance, proof of ability to pay wages, and review of financially interested persons. This also ensures that someone who has been denied an entity license cannot obtain one simply by purchasing an existing entity.

OAR 259-059-0050:

DPSST proposed making changes to remove the requirement to take the licensing exam every time the entity applies for or renews its license unless the exam changes. The exam is currently the same exam. It would only change if there were changes to the laws that the exam covers.

Overall, the workgroup supported the concept of not requiring the exam on an annual basis. Several workgroup members still found value in retaking the exam regularly even if the content hasn't changed to provide a refresher and a reminder of the employer's obligations. One recommendation was to adjust the exam schedule to match the renewal schedule. Therefore, if renewing the license every two years, the applicant would be taking the exam every two years.

The workgroup also discussed an option to replace retaking the exam to renew with an affidavit or attestation that the entity is aware of and follows the laws covered by the exam. The workgroup identified this as a potential tool that if signed could be used as grounds to deny or revoke the entity license if they were found to falsify the attestation or found in violation of the applicable laws. The attestation could be a different tool to make sure that every entity is aware of and being held accountable for the concepts covered by the exam. It was noted that the exam and a draft attestation would have to be carefully reviewed to make sure the attestation met the intent of the exam content and requirement.

The workgroup included discussion here related to Professional Workplace Training which entities are required to provide to the private security providers. One member noted that private security providers have reported that they are not receiving the training. One member asked if the Professional Workplace Training could be made part of the provider's training courses. Staff noted that the Legislature established this requirement as an entity employer responsibility, not as a requirement for an individual provider to be certified or licensed.

OAR 259-059-0060:

The workgroup did not identify any concerns with the draft rule changes.

OAR 259-059-0070:

The workgroup did not identify any concerns with the draft rule changes.

See section 4.c. under Review of Discussion Topics for the summary of the discussion on the licensing fee structure.

OAR 259-059-0080:

The workgroup supported the proposed changes and incorporating requirements for compliance with the private security provider regulations. One workgroup member suggested adding recognition of compliance with employment rules (those found in OAR 259-059-0160) when there is a demonstrated pattern of bad behavior that violates those rules.

Staff noted that they would review the suggestion and the existing rule to determine if additional language needs to be drafted to address the identified concern and follow up at the next workgroup meeting.

OAR 259-059-0090:

There were no DPSST proposed changes to this rule. There were no workgroup questions or discussions.

OAR 259-059-0095:

There were no DPSST proposed changes to this rule. There were no workgroup questions or discussions.

OAR 259-059-0100:

DPSST proposes expanding this rule to include entity compliance with private security professional certification requirements found in OAR Chapter 259 Division 60. The workgroup supports this change.

Workgroup questions and comments highlighted the potential loopholes that non-compliant entities may be using to evade licensing requirements or employer requirements. The following questions and comments were provided. This discussion started just before the end of the meeting and was carried over for further discussion during the next meeting.

- Does this address circumstances when an entity is using a 1099 to hire professionals as independent contractors when they should really be hired as employees as a workaround to employer requirements?
- Can an entity find a person who is a licensed executive manager and contract with them just to provide private security services, not their manager services?
- Entities are not able to get licensed and they are contracting with executive managers to supply the private security professionals.

Staff clarified that the entities who are contracting executive managers who are also certified private security professionals to perform private security services are still required to obtain a private security entity license. Regardless of the employment relationship, the practice is still under the definition of a private security entity which includes "For an agreed remuneration or rate of pay, recruits, solicits, supplies or employs private security providers to perform private security services for another person."

OAR 259-059-0110 through 259-059-0440:

These rules were carried over to the next meeting.

4. **<u>Review of Discussion Topics</u>**
Note: Agenda items 3 & 4 were reviewed together.

a. Changing the Expiration Date for the Licensing Period

DPSST proposes changing the dates of the licensing period from July 1 through June 30 to April 1 through March 31. First, this change would move the renewal period to a less busy time of the year for most entities by shifting the renewal from late spring/early summer to late winter/early spring. Second, this may reduce tax compliance certification deficiencies during the renewal process.

Michael Holsapple explained the reasons behind the proposed changes for the licensing period. The current renewal period begins May 1 and applications for renewal must be submitted by June 30 each year. For the tax compliance certification, this means that when an entity is requesting the tax compliance certification between May and June, the Department of Revenue is considering the current year's tax submission which may or may not have been processed yet and may cause delays in processing requests for the compliance certification.

Workgroup feedback and questions:

- Overall, there was no opposition to changing the renewal period and licensing period dates. While the question was posed on moving the date to later in the year, there were no strong opinions or preferences on what time of year would have the best outcome.
- Do that year's taxes need to be filed before the tax compliance certification can be issued?
    - Staff: no, not with the shift to of the renewal period to earlier in the year. Currently, renewal applications are required by June 30th, which means that the tax compliance certificate includes tax compliance for 2026, which would include submission of tax filings due April 15 of each year. Moving the renewal and licensing period to earlier in the year has the effect of changing the tax compliance look back period. An application submitted by March 31 would happen before the current year's tax filing deadline on April 15, therefore the tax compliance review would be on the previous year.
- Can we consider moving the licensing period to later in the year, like October?
    - Staff: This could be challenging for implementation. Currently all licenses expire June 30. Moving the licensing period to later in the year would leave a gap that has to be addressed in the renewal process.
- Do you know if moving the date will increase late renewal applications or application deficiencies? What would DPSST do if that happened?
    - Staff: Not certain if this could be predicted. DPSST would do advanced outreach to ensure entities know when the new renewal period will be and when applications are due. Both Jennifer and Michael provided scenario

timelines for the potential implementation of the date changes. Suzy Herring commented that the same implementation scenarios could be applied to shifting the dates to later in the year like October, or any other dates, if the workgroup found there something different would be better.

- Did DPSST consider an expiration and renewal date based on the issuance of the license? For example, if the license is issued in May, it would expire at the end of May the following year and need to be renewed before the end of May.
  - Staff: Jennifer shared that the standardized expiration date was originally intended to create stability in the process by allowing entities to know in advance that at the same time every year they need to complete the process, versus having to keep track of it and remember when it needs to be done. Michael shared that currently, having the standardized licensing period has been helpful with compliance issues, as some entities and applicants still have never received a license.

b. Adding Options for a Multi-Year License

Under the current rules, the entity license is a one-year license that must be renewed annually. DPSST proposes allowing an option for a multi-year license. DPSST would retain the one-year license option so that eligible entities could choose the license that meets their budget. The license fee amount would be based on the annual license amount and if applying for a multi-year license the applicant would pay for each year at the time of application (for example: license fee x 2 = fee amount for a 2-year license).

Workgroup feedback and questions:

- Overall, there was support for a multi-year license option. Discussion generally defaulted to referencing a two-year license as the multi-year option.
- Concerns – what if the entity received a two-year license and then didn't maintain some of the requirements like the general liability insurance.
  - General liability insurance is issued annually and may expire within the licensing period. The insurance company usually provides notice to the Department when a policy is expiring and the entity has to resubmit their proof of insurance when they renew it. Note: OAR 259-059-0120 requires maintaining this insurance at all times, notifying the Department of cancellation, and submitting new proof on insurance.
- Recommended qualifications/conditions to be eligible for a multi-year license:
  - Not have any outstanding violations
  - Not have any unpaid penalties
  - Good compliance history for previous licensing periods
  - Require that the entity submit information annually related to tax compliance and work locations which supports transparency and compliance.
  - Staff added: no application administrative terminations

- Entities should be in compliance with both entity and provider requirements in order to get an entity license at all, one-year or two-year.
- Will having different licensing periods affect DPSST application processing timelines? Staff: No, the application would be processed in the same manner and the only change would be the expiration date.

c. Licensing Fee Structure

DPSST asked the workgroup for feedback on the current license fee structure, which is one set fee for any applicant regardless of the size of the entity or if they originate out of state.

In considering a fee structure that would be based on business size, the workgroup discussions recognized the challenges with trying to pinpoint how a business size is measured (number of employees, the fluctuation of employee numbers throughout the year, what if you do crowd management, profits, revenue). In considering a fee structure based on in state versus out of state business, like larger entities versus small businesses, there isn't a significant number of out of state entitles that would offset the fees enough to allow a lower fee amount for in-state entities. Staff noted that the out of state to in-state ratio of entities is affected by the alarm monitor companies, which are more commonly out of state. This led to consideration of a fee structure based on the type of entity and what services are provided alarm, unarmed, armed or a combination.

By consensus, the workgroup found that maintaining the current fee structure and one fee amount for every entity was the most equitable way to set the licensing fee amount.

The following discussion topics were carried over to the next meeting.

d. General Liability Insurance Coverage Requirements
e. Tax Compliance Certification Requirement
f. Surety Bond or Deposit Amounts for Proof of Ability to Pay Wages Requirements
g. Rule Placement of Record Keeping Requirements
h. Additional Discussion Topics as Needed

5. <u>Meeting Close</u>

The meeting concluded at 4:00 P.M. The next workgroup meetings are scheduled for Tuesday, August 11, 2026, 2:00-4:00 P.M., and Thursday, August 27, 2026, 2:00-4:00 P.M.