Department of Public Safety Standards and Training
(DPSST or the Department)
Memo

Date: September 29, 2026

To: Private Security Entity Rules Advisory Committee (RAC)

From: Suzy Herring, Private Professional Certification and Licensing Program Manager
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Jennifer Howald, Legislative and Administrative Rules Coordinator

Subject: Review of Revisions to the Draft Rule Changes for Oregon Administrative Rules (OAR) Chapter 259 Division 59, the Private Security Entity Licensing Program

<u>Overview:</u>

The Private Security Entity Rules Advisory Committee met on July 23, 2026, and August 11, 2026, and reviewed the first draft of proposed rule changes for OAR Chapter 259 Division 59, the Private Security Entity Licensing Program. The RAC also reviewed the discussion items outlined in the memo dated July 23, 2026.

This memo provides a summary of revisions to the draft rule changes and follow up on several discussion items. Please see Attachment A for a full copy of the revised draft rule changes.

<u>REVISED Draft Rule Change Summaries and Follow-up Discussion Topics:</u>

This section includes the summaries and discussion items outlined in the memo dated July 23, 2026. New sections have been added under each rule noting any **SEPTEMBER 2026 DRAFT REVISIONS** and **DISCUSSION RESOLUTIONS**.

OAR 259-059-0010 Definitions

Rule Summary: This rule provides definitions for the interpretation and application of all rules in OAR Chapter 259 Division 59, relating to private security entity licensing. The definitions in this rule supplement the definitions in ORS 181A.840.

DPSST Recommended Rule Changes (First Draft):

- Replace the term “licensure” with “license” or “licensing” language.
- Amend the definition of an “entity representative” based on the requirement found in OAR 259-059-0030.
- Amend the definition of “qualified designee” to remove governmental entities based on changes to the definition of a private security entity under SB 300.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0020 Private Security Entity License Required

Rule Summary: This rule identifies the licensing requirement and clarifies which persons are not required to obtain a private security entity license.

DPSST Recommended Rule Changes (First Draft):

- Replace the term “licensure” with “license” or “licensing” language.
- Amend subsection (4)(d) to use language that matches the definition of a private security entity; replacing “employ” with “for an agreed remuneration or rate of pay, recruit, solicit, supply, or employ.”

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0030 Entity Representative Required / Entity Representative Responsibilities

Rule Summary: This rule requires each private security entity to designate an entity representative. The term "entity representative" is defined in OAR 259-059-0010. Private security entity licenses will be issued to the entity and in the name of the entity. The entity representative acts on behalf of the private security entity in the application process and ensures ongoing compliance with all licensing requirements. DPSST will direct all correspondence to the entity representative.

DPSST Recommended Rule Changes (First Draft):

- Replace the term “licensure” with “license” or “licensing” language.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0040 Period of Licensure / Temporary Authorization Form

Rule Summary: This rule defines the license as a one-year license and establishes when the license expires. This rule also outlines provisions for temporary authorization while an application for a license is pending.

DPSST Recommended Rule Changes (First Draft):

- Change the licensing period from July 1 – June 30 to April 1 – March 31 of each year. Please see discussion item below.
- Limit applicants to two temporary authorizations within a licensing period.
- Clarify what happens when a private security entity is sold or transferred to a new owner.

SEPTEMBER 2026 DRAFT REVISIONS:

- **Deleted the proposed date changes for the licensing period, section (1).**
- **Added opportunity for and eligibility requirements for a two-year license, sections (2) and (3).**
- **Added a 60 day expiration for Temporary Authorization Forms in section (6).**

DISCUSSION RESOLUTIONS:

#1 - Changing the Expiration Date for the Licensing Period
DPSST proposed changing the licensing period from July 1 – June 30 to April 1 – March 31 of each year. This change would have shifted the license renewal period to earlier in the year, before the summer event season begins.

The RAC discussion did not oppose moving the licensing dates but did not indicate a preference on when the dates should be. Discussion included whether to move the dates to later in the year around October. The RAC consensus was that regardless of the date change the licensing period should maintain a universal expiration date so that entities would continue to renew the license at the same time of year.

DPSST reviewed this feedback and determined that the best option at this time would be to maintain the current licensing period dates, which are July 1 to June 30. DPSST found that shifting the dates earlier or later in the year could have a negative impact on the program's budget at this time. Shifting the dates earlier could reduce potential revenue for the current and next biennium. Shifting the dates to later in the year could reduce potential revenue if those needing a license only for the summer event months waited to apply for a license in April, received a prorated license fee for the remainder of the licensing period, and let the license expire in October.

#2 – Adding Options for a Multi-Year License
The private security entity license is currently issued for a one-year period. DPSST will continue to offer a one-year license. DPSST asked the RAC whether there should be an opportunity for a multi-year license and if so what the qualifications for the should be.

The RAC supported adding an option for a two-year license with the following qualifications:

- **Must be licensed for at least two consecutive years before applying for the two-year license**
- **Within the past two years:**
    - **No unpaid penalties**
    - **No violations of entity or provider rules and regulations**

- **No denial, suspension or revocation of the entity license**
- **No administrative termination of an entity license application**

Additional RAC discussion included whether there needed to be a requirement for an entity that has a two-year license to continue to submit their proof of tax compliance and work locations annually. DPSST recommends these licensing requirements remain a function of the application process. DPSST retains the ability to investigate complaints or protests against a license and CCR (character, competence, reliability) throughout the licensing period. In addition, entities are required to maintain records related to work locations for three years and to provide them to DPSST upon request (OAR 259-059-0200).

OAR 259-059-0050 Examination for Licensure

Rule Summary: This rule outlines the requirements for the exam that applicants must pass to qualify for a private security entity license.

DPSST Recommended Rule Changes (First Draft):

- Replace the term "licensure" with "license" or "licensing" language.
- Minor edits for simplification.
- Reduce the number of times an applicant is required to take the exam. Under current rules and processes the applicant must complete the exam to apply for issuance and renewal of a license. This means that the applicant is taking the same exam every year. The draft rule changes require the applicant to take the exam to apply for the license, and then they would not need to retake the exam unless DPSST changes the exam or the entity changes who their entity representative is.

SEPTEMBER 2026 DRAFT REVISIONS:

- **Deleted the proposed changes that eliminated the retake of the exam for license renewal. Results in no changes to section (2) and (3) of the rule.**

DISCUSSION RESOLUTIONS

The RAC discussed the proposed changes eliminating retake of the exam for license renewal. Some members found value in retaking the exam regularly even if the content did not change. This is similar to other private security training and renewal processes that require regular completion of refresher training, which includes an exam. The RAC and DPSST found that the addition of the option for a two-year license was an appropriate middle ground. Applicants will still be required to take the exam for each renewal, but the two-year renewal option reduces some of the frequency for the exam.

OAR 259-059-0060 Application for Licensure

Rule Summary: This rule outlines the process and necessary documentation for submitting an application for a license.

DPSST Recommended Rule Changes (First Draft):

- Replace the term "licensure" with "license" or "licensing" language.
- In section (2), revisions for clarity and simplification.
- Also in section (2), replace proof of tax compliance with a specific rule reference, mirroring language and processes for general liability insurance and proof of ability to pay wages.
- Include changes to the dates to correspond with the changes made to OAR 259-059-0040, Licensing Period.

SEPTEMBER 2026 DRAFT REVISIONS:

- **Deleted proposed date changes in section (3)**
- **Added changes to (3)(a) to adjust for the two-year license option**

Discussion Items: None identified.

OAR 259-059-0070 Fees and Payments

Rule Summary: This rule establishes licensing and administrative fees.

DPSST Recommended Rule Changes (First Draft):

- Include changes to the dates to correspond with the changes made to OAR 259-059-0040, Licensing Period.
- Clarify language allowing DPSST to prorate the licensing fee when the license is issued for less than a year or more than a year.
- Replace the term "licensure" with "license" or "licensing" language.

SEPTEMBER 2026 DRAFT REVISIONS:

- **Deleted proposed date changes in section (1)(b)**
- **Updated the fee amounts to match the fees effective September 1, 2026**

DISCUSSION RESOLUTIONS

#3 – Licensing Fee Structure
The current licensing fee is the same for all entities, no matter the size of the business or whether it is located in Oregon or out of state. DPSST has received feedback asking the agency to look at other options, including fee structures based on business size or location. DPSST asked the RAC whether other fee structures need to be considered.

The RAC found that the current fee structure remains appropriate, stating that one fee for all entity types (regardless of size, location, or type of private security services) continues to be the most equitable and straightforward process.

OAR 259-059-0080 Character, Competence, and Reliability

Rule Summary: Statute requires DPSST to investigate the character, competence and reliability (CCR) of each applicant prior to issuance or renewal of a private security entity license. This rule identifies factors that DPSST considers when determining whether to issue or deny a private security entity license.

DPSST Recommended Rule Changes (First Draft): Add the following to section (3) as additional examples of evidence of unsatisfactory character, competence, or reliability:

- Failure to pay civil penalties or make payments on an agreed upon payment plan
- Using uncertified individuals to perform private security services

SEPTEMBER 2026 DRAFT REVISIONS:

- **Section (3)(j) includes minor edits to the recommended addition for failure to pay civil penalties to improve clarity.**
- **Section (3)(n) was updated to add violations of private security providers rules.**

DISCUSSION RESOLUTIONS

The RAC supported the recommended additions to the CCR rule. The discussion included a suggestion to consider adding failure to comply with the employer requirements that are included in the statutes listed in OAR 259-059-0160. DPSST reviewed the suggestion and found that such violations are already captured by the existing rule language found in section (3) (d) which states "Failing to comply with any of the federal, state, or local laws identified in ORS 181A.913 and OAR 259-059-0160, as evidenced by receipt of a final order or judgement."

OAR 259-059-0090 Private Security Equipment, Vehicles, Uniforms, and Titles

Rule Summary: This rule prohibits private security entities or their employees to use equipment, vehicles, uniforms, badges, or job titles that suggest they're affiliated with law enforcement or any public safety agency. This rule has a counterpart in OAR 259-060-0012, which applies the same standards to individuals certified or licensed as private security providers, making them companion rules and ensuring consistency across both levels.

DPSST Recommended Rule Changes (First Draft): None identified.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0095 Prohibited Entity Names

Rule Summary: This rule prohibits use of a business name that suggests the entity is part of, or officially connected to, a public safety or law enforcement agency (such as police, militia, armed forces, federal agency, etc.). However, entities using such names before July 1, 2016 may keep them only if ownership hasn't changed since that date. This rule has a counterpart in OAR 259-060-0201, which applies the same standards to other private security provider employers, making them companion rules and ensuring consistency across both levels.

DPSST Recommended Rule Changes (First Draft): None identified.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0100 Designation of an Executive Manager

Rule Summary: This rule requires private security entities to appoint an executive manager. Executive managers are responsible for overseeing compliance with private security provider certification and licensing rules.

DPSST Recommended Rule Changes (First Draft): Rewrite this rule to maintain existing requirements while adding entity responsibility for compliance with private security professional certification requirements found in OAR Chapter 259 Division 60.

SEPTEMBER 2026 DRAFT REVISIONS:

- **Section (3) includes minor edits to improve clarity and readability. The revisions do not change the intent of the original recommendations.**

DISCUSSION RESOLUTIONS:

During review of the recommended rule changes, the RAC discussion highlighted potential loopholes that non-compliant entities may be using to evade licensing requirements or employer requirements. The RAC asked if the recommended rule changes would address circumstances when an entity is using a 1099 to hire private security professionals as independent contractors when they should really be hired as employees as a workaround to employer requirements.

Section (3) of the recommended rule changes aligns with the prohibited acts found in OAR 259-060-0015. Adding this prohibited act to the entity rules will allow DPSST to take action against the entity license for violations.

OAR 259-059-0110 Required Policies

Rule Summary: This rule requires private security entities have, and provide to DPSST if requested, policies on use of force and citizen arrest.

DPSST Recommended Rule Changes (First Draft): None identified.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0120 General Liability Insurance

Rule Summary: This rule requires private security entities to maintain a general liability insurance policy with at least $1 million per incident and $2 million total coverage, and promptly inform DPSST if it changes or ends.

DPSST Recommended Rule Changes (First Draft):
- Replace the term “licensure” with “license” or “licensing” language.
- Delete provisions for public bodies. Under the SB 300 definition of a private security entity, public bodies would no longer be subject to the private security entity licensing rules.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

DISCUSSION RESOLUTIONS:

#4 – General Liability Insurance Coverage Requirements
The ORS requirements for general liability insurance specify that the policy must include “public liability, personal injury and property damage insurance covering all aspects of the private security services being provided.” DPSST received feedback that the personal injury designation is challenging in two ways; first in finding coverage and second in interpreting who it is intended to protect, employees or public.

The RAC agreed that the current requirements pose challenges for private security entities. The RAC supported pursuing a legislative change to remove the portion of the law that requires the general liability insurance to include “public liability, personal injury and property damage insurance.” DPSST included this requested change in an agency legislative change request.

OAR 259-059-0125 Tax Compliance (NEW)

Rule Summary: This rule defines what is accepted as proof of tax compliance, including timeframes for the validity of the proof.

DPSST Recommended Rule Changes (First Draft): Adopt a new rule to add additional clarification to providing proof of compliance with business tax requirements. This new draft rule is compatible with the changes found in OAR 259-059-0060, Application for Licensure. As a result of this new rule, DPSST would no longer accept a letter from an entity stating that they are a new business and have not filed taxes yet.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

DISCUSSION RESOLUTIONS

#5 – Tax Compliance Certification Requirement
DPSST asked for feedback on the new rule.

The RAC did not identify any concerns.

OAR 259-059-0130 Proof of Ability to Pay Wages

Rule Summary: This rule requires private security entities to demonstrate their ability to promptly pay the wages of their executive managers, private security professionals, and supervisory managers by maintaining a corporate surety bond, irrevocable letter of credit, or cash deposit in an amount sized according to the number of private security personnel they employ or contract with.

DPSST Recommended Rule Changes (First Draft):

- Add a description of what is accepted as a deposit the equivalent of cash.
- Delete provisions for public bodies. Under the SB 300 definition of a private security entity, public bodies would no longer be subject to the private security entity licensing rules.

SEPTEMBER 2026 DRAFT REVISIONS:

- **In section (2), the current tiered proof amounts are deleted and replaced with a single proof amount that applies to all entities regardless of size and number of employees.**

DISCUSSION RESOLUTIONS
Discussion Items:

#6 – Surety Bond and Deposit Amounts
DPSST asked the RAC to review the current dollar amounts required, which are based on the number of private security professionals and executive and supervisory managers that

the entity employs. DPSST requested feedback on the amounts and corresponding employee numbers, as well as how to address changes to employee numbers within a licensing period.

The RAC recommended updating OAR 259-059-0130 to require a single proof-of-financial-responsibility amount of $30,000 for all private security entities.

This rule change may result in a fiscal impact for some private security entities. DPSST currently licenses approximately 250 entities. Twenty-six entities meet the requirement through a cash deposit, and the majority of remaining entities use a surety bond. A surety bond is not the only alternative to a cash deposit, but it is the most commonly selected option. DPSST does not currently have data indicating how many entities using alternative forms of proof fall into each tier, so the number of entities that would need to increase their proof of financial responsibility is unknown.

The table below outlines the number of entities using a cash deposit in each tier.

Amount	Number of Providers	Number of Entities Using a Cash Deposit
$5,000	**10 or fewer**	**16**
$10,000	**11 to 20**	**6**
$20,000	**21 to 50**	**0**
$30,000	**51 or more**	**4**

If the required amount increases to $30,000 for all entities, 22 of the 26 entities with a cash deposit would need to increase their deposit. An entity currently using a cash deposit may either increase the deposit to $30,000 or switch to another allowable form of proof, such as a surety bond. Entities already meeting the $30,000 requirement would experience no fiscal change.

The overall fiscal impact is unknown. The impact will vary depending on each entity's size, their current method of proof, and any costs they may incur to increase their financial responsibility to $30,000.

OAR 259-059-0140 Firearms Qualifications, Qualification Records, and Notice Requirements

Rule Summary: This rule outlines the firearms qualification requirements and responsibilities for a private security entity that employs armed private security professionals.

DPSST Recommended Rule Changes (First Draft):

- Add clarifying language to ensure that the records are maintained for three years from the date of the qualification even if the private security professional is no longer employed.

SEPTEMBER 2026 DRAFT REVISIONS:

- **Changes to section (4) transfer the record keeping requirements to OAR 259-059-0200**

DISCUSSION RESOLUTIONS
DPSST asked the workgroup for feedback on placement of record keeping requirements.

The workgroup recommended consolidating all of the record keeping requirements under one rule.

See also OAR 259-059-0200, Discussion Item #7

OAR 259-059-0150 Professional Workplace Training Requirements

Rule Summary: This rule outlines the requirements for private security entities to provide Professional Workplace Training to their private security providers. The rule includes timelines for completing the training and requirements for record keeping.

DPSST Recommended Rule Changes (First Draft):

- Replace the term “licensure” with “license” or “licensing” language.
- Add clarifying language to ensure that the records are maintained for three years from the date of the training even if the private security provider is no longer employed.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

- **Changes to section (6) transfer the record keeping requirements to OAR 259-059-0200**

DISCUSSION RESOLUTIONS
DPSST asked the workgroup for feedback on placement of record keeping requirements.

The workgroup recommended consolidating all of the record keeping requirements under one rule.

See also OAR 259-059-0200, Discussion Item #7

OAR 259-059-0160 Statement of Employee Rights and Remedies

Rule Summary: This rule outlines what is required in the Statement of Employee Rights and Remedies. Upon hiring, private security entities must give private security providers a written list of rights under state and federal labor, safety, leave, and nondiscrimination laws, using a plain-language form. DPSST provides a form. Licensees can use this form or any other form so long as what is provided contains all of the information included in the DPSST form.

DPSST Recommended Rule Changes (First Draft): None identified.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0170 Statement of Terms and Conditions of Employment

Rule Summary: This rule outlines what is required in the Statement of Terms and Conditions of Employment. Upon hiring, private security entities must give private security providers a written list of terms and conditions relating to their employment. Licensees can use any form so long as it includes all of the elements identified in the rule.

DPSST Recommended Rule Changes (First Draft): None identified.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0180 Statement of Earnings

Rule Summary: This rule outlines what is required in the Statement of Earning. Any time a private security provider receives compensation from the private security entity, the entity must give the provider a written statement of earnings. Licensees can use any form so long as it includes all of the elements identified in the rule.

DPSST Recommended Changes(First Draft): None identified.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0190 Change of Information

Rule Summary: This rule identifies the information that must be reported to DPSST within 10 business days of a change.

DPSST Recommended Rule Changes (First Draft):

- Add language identifying the requirement to notify DPSST when a private security entity is sold or transferred.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0200 Records Retention

Rule Summary: This rule identifies records retention requirements for documents that are not covered by other rules. These records must be kept for three years from the date the record is created.

DPSST Recommended Rule Changes (First Draft):

- Replace the term “licensure” with “license” or “licensing” language.
- Add clarifying language to ensure that the records are maintained even if a private security provider is no longer employed.

SEPTEMBER 2026 DRAFT REVISIONS:

- **Section (1) inserts the record keeping requirements that are transferred from OAR 259-059-0140, Firearms Qualifications, Qualification Records, and Notice Requirements, and OAR 259-059-0150, Professional Workplace Training Requirements.**
- **The requirement to provide records to DPSST upon request was relocated from section (2) to section (1).**
- **Section (3) includes minor edits to the initial draft language for clarity and readability.**

DISCUSSION RESOLUTIONS
#7 – Rule Placement of Record Keeping Requirements
In addition to this rule, there are record keeping requirements included in OAR 259-059-0140, Firearms Qualifications, Qualification Records, and Notice Requirements, and OAR 259-059-0150, Professional Workplace Training Requirements.

DPSST asked the workgroup for feedback on placement of record keeping requirements. The workgroup recommended consolidating all of the record keeping requirements under one rule.

OAR 259-059-0300 Complaints

Rule Summary: This rule outlines the processes for submitting a complaint to DPSST and how DPSST manages a complaint.

DPSST Recommended Rule Changes (First Draft): None identified.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0310 Protesting Issuance of a License

Rule Summary: This rule outlines the procedure for a person to submit a written statement making a protest against the issuance of a private security entity's license. DPSST processes any protest received using the same processes as receipt of a complaint.

DPSST Recommended Rule Changes (First Draft): None identified.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0400 Compliance

Rule Summary: This rule provides a list of violations that have been identified as grounds for issuance of a civil penalty. The list is not all inclusive. The rule also outlines procedures for providing a notice of a violation and issuance of a civil penalty.

DPSST Recommended Rule Changes (First Draft):

- Replace the term "licensure" with "license" or "licensing" language.
- Add the use of uncertified individuals to perform private security services to the list of violations that have been identified as grounds for a civil penalty.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0410 Grounds to Deny, Refuse to Renew, Revoke, or Suspend a Private Security Entity License

Rule Summary: This rule identifies mandatory and discretionary grounds for denying, refusing to renew, suspending, or revoking a private security entity license.

DPSST Recommended Rule Changes (First Draft):

- Replace the term "licensure" with "license" or "licensing" language.
- Add the use of uncertified individuals to perform private security services to the list of violations that have been identified as discretionary grounds for denying, refusing to renew, suspending, or revoking a private security entity license.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0420 Department Review for Denial, Refusal to Renew, Revocation, or Suspension of a Private Security Entity License

Rule Summary: This rule outlines the processes for the Department's review of cases where there may be grounds to deny, refuse to renew, revoke, or suspend a private security entity's license. Grounds to deny, refuse to renew, revoke, or suspend a license are identified in OAR 259-059-0410. If the Department determines that there are grounds for action, the Department will notify the applicant or licensee and provide an opportunity to submit mitigation. After a review of the violation and any aggravating or mitigating factors, the Department will determine whether to issue the license or to take action (deny, refuse to renew, revoke, or suspend). Any Notice of Intent to deny, refuse to renew, revoke, or suspend a license follows the contested case processes per the Administrative Procedures Act and the Attorney General's Model Rules.

When DPSST denies, refuses to renew, revokes, or suspends a license, the Final Order will state the ineligibility period. An ineligibility period is how much time must pass before the applicant is eligible for a new private security entity license. Under ORS 181A.995, a private security entity license may be permanently revoked for a fifth or subsequent violation. Otherwise, the maximum ineligibility period is three years from the date of the Final Order.

DPSST Recommended Rule Changes (First Draft):

- Replace the term “licensure” with “license” or “licensing” language.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0430 Surrender of a Private Security Entity License

Rule Summary: This rule provides processes for a private security entity to surrender its license. A request to surrender a license must be submitted in writing. If the circumstances of the surrender involve a protest, complaint, or investigation, the Department may accept the surrender through a stipulated order revoking the license. If a person wants to operate as a private security entity after the license has been surrendered, the person will be required to apply for a new license.

DPSST Recommended Rule Changes (First Draft):

- Replace the term “licensure” with “license” or “licensing” language.

SEPTEMBER 2026 DRAFT REVISIONS: NONE

Discussion Items: None identified.

OAR 259-059-0440 Issuance of Notice of Intent / Request for Hearing / Contested Case Procedures

Rule Summary: This rule provides the notification requirements that are set forth by the Administrative Procedures Act and the Attorney General's Model Rules.

DPSST Recommended Rule Changes (First Draft): None identified.

SEPTEMBER 2026 DRAFT REVISIONS:

- **Deleted the word "Licensure" for consistency with other rule changes**

Discussion Items: None identified.

Overview

This document provides a complete copy of the draft rule changes and includes revision marks showing recommended additions noted with **<u>bold and underlined text</u>** and deletions noted with ~~strikethrough text~~. This "Revised September 2026" version includes revisions based on Entity Workgroup (RAC) feedback from the first two meetings. Sections that have been revised are highlighted with gray shading.

This draft is provided for review and discussion. It is not a final draft. Any rule changes that move forward will be submitted to the Secretary of State as Proposed Rule Changes for public comment before being adopted. Proposed rule changes can be tracked on the DPSST Rulemaking website at the following link. https://www.oregon.gov/dpsst/Pages/Rules.aspx

Chapter 259 Division 59 PRIVATE SECURITY ENTITY LICENSING

OAR 259-059-0010 Definitions

(1) "Applicant" means a private security entity, through an entity representative, applying for or renewing **<u>a license</u>** ~~licensure~~ to operate as a private security entity.

(2) "Board" means the Board on Public Safety Standards and Training.

(3) "Department" or "DPSST" means the Department of Public Safety Standards and Training.

(4) ~~"Entity representative" means the individual who represents the private security entity in matters of licensure as a private security entity.~~ **<u>"Entity representative" means an individual representing a private security entity in matters of private security entity licensing who is either the private security entity's principal owner, principal partner who exercises operational control over the entity, or qualified designee.</u>**

(5) "Executive manager" has the meaning given that term in ORS 181A.840 and OAR 259-060-0010.

(6) "Financially interested" means any ownership interest in the private security entity that is greater than or equal to 5% of the entity.

(7) "License" means a private security entity license issued by the Department.

(8) "Licensee" means a licensed private security entity.

(9) "Person" means any individual, sole proprietorship, partnership, business, company, corporation, association, governmental entity, or other business or legal entity.

(10)(a) "Private security entity" includes any person that:

(A) For an agreed remuneration or rate of pay, recruits, solicits, supplies or employs private security providers to perform private security services for another person;

(B) For an agreed remuneration or rate of pay, recruits, solicits, supplies or employs private security providers on behalf of another employer to provide private security services; or

(C) Enters into a subcontract with another person to perform any of the activities described in subparagraph (A) or (B) of this paragraph.

(b) "Private security entity" does not include a special campus security provider commissioned under ORS 352.118 or a private security provider on a campus of an institution of higher education regulated under ORS 181A.972.

(11) "Private security provider" means any individual who performs the functions of a private security professional, executive manager, supervisory manager or instructor, as those terms are defined in ORS 181A.840 and OAR 259-060-0010.

(12) "Private security services" means the performance of at least one of the following activities:

(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.

(d) Controlling access to premises being protected or, with respect to a licensee of the Oregon Liquor and Cannabis Commission, controlling access to premises at an entry to the premises or any portion of the premises where minors are prohibited.

(e) Securely moving prisoners.

(f) Taking enforcement action by detaining persons or placing persons under arrest under ORS 133.225.

(g) Providing canine services for guarding premises or for detecting unlawful devices or substances.

(13) "Qualified designee" means an individual who is:

(a) Employed by a private security entity that is a non-profit ~~or governmental~~ entity, a private security entity principally located in another state, or a private security entity with more than 100 employees; and

(b) Authorized by the principal owner or principal partner of the private security entity to represent the entity in matters of entity **licensing** ~~licensure~~.

(14) "Temporary Authorization Form" means a written, temporary permit to operate as a private security entity that is issued by the Department to an applicant while their application for a license is being processed.

(15) (a) "Work location or locations" means the specific place or places where a private security provider regularly reports to work or is assigned to work. "Work location or locations" include

the location of the private security entity and locations such as a site, complex, park, campus, or territory where the private security entity provides private security services. Examples: an industrial complex, a hospital campus, or a territory with fixed parameters like the five-block radius surrounding a shopping district.

(b) “Work location or locations" does not include:

(A) Incidental response locations outside of regularly performed duties;

(B) Routes between work locations that are not included under the security services provided by the private security entity;

(C) Confidential public utility infrastructure locations;

(D) A private security entity’s armored car routes and stop locations; or

(E) Personal residential addresses and auxiliary locations where private security services are performed in the course and scope of personal protection services.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.840, ORS 181A.870 & ORS 181A.900

OAR 259-059-0020 Private Security Entity License Required

(1) Any person proposing to operate as a private security entity after January 1, 2024, must obtain a license or be issued a Temporary Authorization Form to provide private security services.

(2) Private security entities must provide the Department's Internet address for license verification to a person before providing private security services to the person.

(3) Private security entity licensing requirements apply to any private security entity that provides private security services within this state, regardless of whether the private security entity is principally located in another state.

(4) The following persons do not meet the definition of a private security entity and are not required to obtain a license:

(a) Public universities employing special campus security providers commissioned under ORS 352.118 or institutions of higher education employing private security providers and regulated under ORS 181A.972.

(b) A person whose employees are exempt from the private security provider certification and ~~licensure~~ **licensing** requirements under ORS 181A.845.

(c) An executive manager who contracts with a private security entity to provide services as an executive manager. ~~This includes the executive manager providing private security services when the executive manager is also certified as a private security professional.~~

(d) A person who is the sole owner and operator of a business that provides private security services~~, and does not employ~~ ~~any other private security providers~~ **so long as the person does not, for an agreed remuneration or rate of pay, recruit, solicit, supply, or employ any other private security providers to perform private security services for another person**.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.840, ORS 181A.850, ORS 181A.870 & ORS 181A.900

OAR 259-059-0030 Entity Representative Required / Entity Representative Responsibilities

(1) Private security entities must designate an entity representative.

(2) The entity representative must be the principal owner or principal partner who exercises operational control over the entity or a qualified designee ~~of the principal owner or principal partner~~.

(3) The entity representative is responsible for:

(a) Completing the **licensing exam** ~~examination for licensure~~;

(b) Signing for and submitting the **license** application ~~for licensure~~;

(c) Providing notice to the Department of changes of information per OAR 259-059-0190;

(d) Receiving and responding to Notices and any other communication from the Department relating to the private security entity's license; and

(e) Maintaining the private security entity's compliance with ORS 181A.840 to 181A.918 and OAR Chapter 259 Division 59.

(4) To change the entity representative after the license has been issued, the new entity representative must:

(a) Notify the Department in writing within 10 business days of the change;

(b) Submit proof of a passing score on the private security entity **licensing exam** ~~examination for licensure~~ administered by the Department; and

(c) Submit a new **license** application ~~for licensure~~ if there have been any changes in the financially interested parties since the last application was submitted.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0040 **Licensing** Period ~~of Licensure~~ / Temporary Authorization Form

~~(1) A private security entity license is valid for one year unless the license is suspended or revoked. The licensing period is July 1 through June 30 of each year. Any license not renewed by June 30 will expire.~~

(1) An initial private security entity license is valid for a period of up to one year and expires on June 30 of each year, unless the license is suspended or revoked.

(2) A licensed private security entity may apply to renew its license for either a one-year or two-year licensing period.

(a) A license renewed for one year expires on June 30 of the year following the renewal.

(b) A license renewed for two years expires on June 30 of the second year following the renewal.

(3) To be eligible for a two-year licensing period, the private security entity must have been licensed for at least two consecutive years and must not have any of the following within the preceding two years:

(a) Unpaid penalties owed to the Department;

(b) Any violation of private security entity licensing requirements under OAR Chapter 259, Division 59;

(c) Any violation of private security provider certification or licensing requirements under OAR Chapter 259, Division 60;

(d) A private security entity license that has been denied, suspended, or revoked; or

(e) A private security entity license application that has been administratively terminated.

(**4** ~~2~~) The Department may combine the issuance of an initial license with the renewal of the license when there are six months or less left in the initial licensing period.

(**5** ~~3~~) The Department may issue a Temporary Authorization Form to an applicant after receipt of an application **packet** ~~for licensure and the license fee~~.

(**6** ~~4~~) A Temporary Authorization Form expires **60 days from the date of issuance or** when **any of the following occur**:

(a) The license is issued;

(b) The application process is administratively terminated; or

(c) The license is denied or refused renewal.

(7) No more than two Temporary Authorization Forms may be issued to a private security entity during a licensing period. The limit resets at the start of the new licensing period on July 1.

(~~5~~ **8**) When a private security entity is sold, **or the ownership is otherwise transferred to another person,** the license or Temporary Authorization Form for the former private security entity **expires** ~~is considered expired, effective on the final date of sale~~**.**

(a) Within 10 business days of a change in ownership, the former private security entity must notify the Department in writing and return the expired license or Temporary Authorization Form to the Department.

(b) The entity representative for the new private security entity must submit a license application under OAR 259-059-0060.

(~~6~~ **9**) A person may not operate as a private security entity with an expired license or expired Temporary Authorization Form.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0050 **Licensing** Exam~~ination~~ ~~for Licensure~~

(1) The applicant~~, through the entity representative,~~ must successfully pass a qualifying ~~examination (~~exam~~) for licensure~~. The purpose of the exam is to test the applicant's knowledge of the private security entity's responsibility to prevent sexual assault, sexual harassment and discrimination in the workplace.

(2) The exam must be completed for issuance and renewal of a license.

(3) The exam may be completed anytime within the 60 days before the submission of **a license application** ~~an application for licensure~~.

(4) The exam is administered by the Department and delivered online.

(5) The minimum passing score for the exam is 80%.

(6) Any individual who takes the exam is prohibited from disclosing the contents of the exam, including the exam questions and answers, to anyone or any entity.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900 & ORS 181A.904

OAR 259-059-0060 **License** Application ~~for Licensure~~

(1) Applications for **a license** ~~licensure~~ must be signed and submitted by the entity representative ~~on behalf of the applicant~~.

(2) To apply for a license or renew a license, the applicant must submit a completed application **packet that includes the following:** ~~, including all required attachments, and the non-refundable license fee per OAR 259-059-0070. The following information must be included with the application:~~

(a) A completed application form;

(b) The non-refundable license fee as required under OAR 259-059-0070;

~~(a)~~ **(c)** Proof of general liability insurance as defined in OAR 259-059-0120;

(d) Proof of compliance with business tax requirements as defined in OAR 259-059-0125;

~~(b)~~ **(e)** Proof of the ability to pay wages as defined in OAR 259-059-0130;

~~(c) An Oregon Department of Revenue Tax Compliance Certification or a statement from the applicant that, as a new entity, the entity has not been required to file taxes to date~~;

~~(d) The examination for licensure certificate of completion;~~ **(f) The certificate of completion for the license exam as required under OAR 259-059-0050.**

~~(e)~~ **(g)** The names and addresses of all persons financially interested, whether as partners, shareholders, associates or profit-sharers, in the applicant's proposed operations as a private security entity, together with the amount of their respective interests, and whether or not, to the best of the applicant's knowledge, any of these persons **had a certificate or license denied, suspended, or revoked under ORS 181A.870** ~~was ever denied a certificate or a license under ORS 181A.870 within the preceding three years, or had a certificate or license suspended or revoked~~ within the preceding three years;

~~(f)~~ **(h)** The physical address of the work location or locations**, as the term is defined in OAR 259-059-0010,** at which private security services are provided by private security professionals employed by or pursuant to a contract or subcontract with the applicant; and

~~(g)~~ **(i)** For each work location**, as the term is defined in OAR 259-059-0010,** at which private security services are provided by private security professionals pursuant to a contract or subcontract with the applicant, the names of the private security entity or entities contracted or subcontracted with the applicant.

(3) The application and license fee to renew a license must be received by the Department no later than June 30 of each year.

(a) Applicants may submit an application ~~and license fee~~ **packet** for renewal beginning May 1 of **the year in which the license expires** ~~each year~~.

(b) Failure to renew on time will result in a late fee.

(c) To continue operating as a private security entity, the license must be renewed even if the private security entity does not receive notification from the Department.

(4) The Department may administratively terminate the application process, after written notification and opportunity for correction, if the application or any required documentation is incomplete and the Department cannot satisfactorily verify application information due to non-response or non-compliance by the applicant.

(a) The Department will issue a Notice of Deficiency when the application packet is incomplete or insufficient.

(b) If the deficiency is not corrected within 30 business days of the date of the Notice of Deficiency, the application process will be administratively terminated. The Department may extend the time for compliance upon good cause shown by the applicant.

(c) Administrative termination of an application process also results in the immediate expiration of the Temporary Authorization Form.

(d) To re-apply after an administrative termination of the application process, the applicant will be required to submit a new application packet with all deficiencies corrected and new fees.

(5) Any exception to the application process found in this rule must be approved by the Department.

(6) An application for **a license** ~~licensure~~ may be withdrawn at any time. Applicants who choose to withdraw an application forfeit any fees.

(7) Falsification of any information in connection with an application for **a license** ~~licensure~~, including supporting documentation and attachments, may result in issuance of a civil penalty under OAR 259-059-0400 or the denial, refusal to renew, revocation, or suspension of a license under OAR 259-059-0410.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0070 Fees and Payments

(1) The Department charges the following fees:

(a) Private Security Entity License Fee - $1030.

(b) Late Renewal Fee - $55. A late fee is required when the Department receives an application for renewal after June 30.

(c) Duplicate or Replacement License Fee - $27.

(d) Non-sufficient Funds (NSF) Penalty Fee - $25.

(2) ~~When issuing an initial license, the Department may prorate the Private Security Entity License Fee in accordance with the remaining portion of the licensing period.~~ **The Department may prorate the Private Security Entity License Fee in accordance with the number of months the entity will be licensed when issuing or renewing a license for a period other than 12 months.**

(3) Payments.

(a) The Department accepts business checks, money orders, cashier's checks, and credit cards approved by the Department. Credit card payments may require submission of additional verification information as designated by the Department. The Department does not accept personal checks or cash.

(b) **License fees** ~~Fees for licensure~~ are due at the time of application.

(c) Amounts due to the Department for fees or penalties are non-refundable and non-transferable.

(d) Applicants who choose to withdraw their application or fail to complete the application process forfeit their fees.

(4) If the Department receives payment of any fees or penalty by check and the check is returned to the Department as a non-sufficient funds (NSF) check, the payer of the fees or penalty will be assessed an NSF penalty fee in addition to the required payment of the fees or penalty.

(5) Overpayment of Amounts Due.

(a) The Department will reject payments that include an overpayment of the amount due that is $10.01 or more.

(b) The Department may accept payments that include an overpayment of the amount due when the overpaid amount is $10.00 or less.

(c) Overpayment amounts that are $10.00 or less will only be refunded upon receipt of a written request from the applicant or entity representative who made the overpayment, or the private security entity's legal representative. The written request must be received by the Department within three years of the overpayment.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0080 Character, Competence, and Reliability

(1) To determine if a license will be issued or renewed, the Department must conduct an investigation of each applicant's character, competence, and reliability, and any other matter related to the manner and method by which the applicant proposes to conduct and conducted operations as a private security entity.

(2) The Department may not issue or renew a license to operate as a private security entity until the Department is satisfied as to the applicant's character, competence, and reliability.

(3) Evidence of unsatisfactory character, competence, or reliability includes committing an unlawful act or violating or failing to comply with any provision of ORS 181A.840 to 181A.918. For the purposes of these rules, the Department's investigation may include, but is not limited to, a review of the following for consideration:

(a) Having an entity representative or any other person who is financially interested in the operations of the private security entity who, within the past three years:

(A) Had a private security provider certification or license denied, refused renewal, revoked, or suspended for the grounds found in OAR 259-060-0300, 259-060-0310, or 259-060,0320;

(B) Had a private security entity license denied, refused renewal, revoked, or suspended, or otherwise violated ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59; or

(C) Has been the subject of a Department investigation for a violation of ORS 181A.840 to 181A.918, OAR Chapter 259 Division 59, or OAR Chapter 259 Division 60.

(b) Failing to file or furnish all forms and other information required by ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59;

(c) Failing to comply with business tax requirements;

(d) Failing to comply with any of the federal, state, or local laws identified in ORS 181A.913 and OAR 259-059-0160, as evidenced by receipt of a final order or judgement;

(e) Failing to maintain general liability insurance as required by ORS 181A.900 and OAR 259-059-0120;

(f) Failing to maintain proof of ability to pay wages as required by ORS 181A.900 and OAR 259-059-0130;

(g) Failing to provide the Professional Workplace Training Course as required by ORS 181A.908 and OAR 259-059-0150;

(h) Failing to ensure armed private security professionals successfully complete a firearms qualification for each firearm make, model, and caliber that the armed private security professional will possess or have access to while performing private security services as required by ORS 181A.906 and OAR 259-059-0140;

(i) Failing to promptly satisfy any judgments levied against the applicant or licensee;

(j) Failing to pay, or follow a Department-approved payment plan for, any penalties or fees imposed by the Department;

~~(j)~~ **(k)** Failing to notify the Department of a change of information as required by OAR 259-059-0190;

~~(k)~~ **(l)** Falsifying any information submitted on the **license** application ~~for licensure~~ or on any documents submitted to the Board or the Department;

(m) Assigning a person to perform private security services without a valid private security professional certification or temporary work permit; or

~~(l)~~ **(n)** Any other violation of ORS 181A.840 to 181A.918**,** ~~or~~ OAR Chapter 259 Division 59**, or OAR Chapter 259 Division 60**.

(4) When evidence of unsatisfactory character, competence, or reliability is identified, the Department may be satisfied upon consideration of mitigating circumstances and corrective actions taken by the applicant or licensee.

(5) The Department may conduct an investigation of an applicant or licensee when the Department receives a protest, a complaint or any other information that demonstrates lack of character, competence, or reliability to operate as a private security entity.

(6) A change in the entity representative may constitute a change in the Department's determination to issue or renew a license. The Department may conduct an investigation of the applicant or licensee when there is change of the entity representative.

(7) Any Department action to deny, refuse to renew, revoke, or suspend a license based on the findings of the Department's investigation of the applicant's or licensee's character, competence, and reliability will be administered in accordance with OAR 259-059-0410 through 259-059-0440 and the applicable provisions of the Attorney General's Model Rules of Procedure adopted under OAR 259-005-0015.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900 & ORS 181A.902

OAR 259-059-0090 Private Security Equipment, Vehicles, Uniforms, and Titles

(1) It is unlawful for a private security provider or an entity that employs private security providers to possess or use in the scope of employment equipment, vehicles, uniforms or titles that imply that the provider or entity is affiliated with a public or private safety agency as defined in ORS 181A.355. This includes, but may not be limited to, the following prohibited acts:

(a) Titles used to identify a private security provider may not be a title commonly used by public or private safety agencies to identify a law enforcement officer, including, but not limited to, “officer,” “police officer,” “peace officer,” “law enforcement officer,” “agent,” “deputy,” “trooper,” or “detective.” This does not apply to the use of “security officer” or the use of rank structure titles such as “sergeant,” “lieutenant,” or “chief.”

(b) Vehicles, uniforms, and the badges, patches, name tags, or other identifying labels permanently or temporarily affixed to a uniform or used for identification may not display a prohibited title as defined in subsection (a) above.

(c) Uniforms may not resemble a law enforcement uniform in style or color unless the uniform prominently displays the word “security.” “Security” may be used in combination with other private security terms such as, but not limited to, “private security,” “security officer,” or “security guard.”

(d) Vehicles may not resemble a law enforcement vehicle in style or color unless the vehicle prominently displays the word “security” on the front, rear, and sides of the vehicle. “Security” may be used in combination with other private security terms such as, but not limited to, “private security,” “security officer,” or “security guard.”

(e) Vehicles may not be equipped with red and blue light bars.

(f) Vehicles may not be equipped with bumpers capable of ramming another vehicle to cause a stall or cages unless there is a demonstrated business need and the private security entity has a written policy or procedure addressing the use of the equipment.

(2) A violation of a prohibited act outlined in section (1) of this rule may result in issuance of a civil penalty under OAR 259-059-0400 or the denial, refusal to renew, revocation, or suspension of a license under OAR 259-059-0410.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.893
Statutes/Other Implemented: ORS 181A.870 & ORS 181A.893

OAR 259-059-0095 Prohibited Entity Names

(1) Private security entities are prohibited from using a name that implies that the private security entity is, or is affiliated with, an existing law enforcement unit or public safety agency as defined in ORS 181A.355, the organized militia as described in ORS 396.105, the Armed Forces of the United States, a federal law enforcement agency or a federal intelligence agency.

(2) Private security entities operating under a name prior to July 1, 2016, are exempt from this restriction for as long as the private security entity is owned by the person that owned it on July 1, 2016.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.893
Statutes/Other Implemented: ORS 181A.870 & ORS 181A.893

OAR 259-059-0100 Designation of an Executive Manager

~~(1) Private security entities must have a designated executive manager who is licensed by the Department under ORS 181A.870 and OAR Chapter 259 Division 60.~~

~~(2) Private security entities may employ or contract with more than one executive manager.~~

~~(3) Private security entities must notify the Department in writing within 10 business days when the private security entity changes its designated executive manager.~~

Change to

259-059-0100 Compliance with Private Security Provider Certification and Licensing Requirements

(1) Private security entities must have a designated executive manager who is licensed by the Department under ORS 181A.870 and OAR Chapter 259 Division 60.

> **(a) Private security entities may employ or contract with more than one executive manager.**
>
> **(b) Private security entities must notify the Department in writing within 10 business days when the private security entity changes its designated executive manager.**

(2) Private security entities are prohibited from assigning a person to perform private security services unless the person is certified as a private security professional under ORS 181A.870 and OAR Chapter 259 Division 60.

(3) In accordance with OAR 259-060-0015, entities are prohibited from independently contracting with a certified private security professional to provide private security services unless that professional is also licensed as an executive manager.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0110 Required Policies

Private security entities must demonstrate the existence of use of force and citizen arrest policies unless the private security entity exclusively monitors alarm systems. For the purposes of this rule, demonstration of the existence of these policies means the policies must be provided to the Department upon request.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0120 General Liability Insurance

(1) Private security entities must be covered by a general liability insurance policy that includes public liability, personal injury, and property damage insurance covering all aspects of the private security services being provided.

(2) The general liability insurance policy must name the private security entity as the primary insured with minimum liability limits of $1,000,000 per occurrence and $2,000,000 in the aggregate.

(3) The proof of the existence of adequate insurance required for the **license** application ~~for licensure~~ must include the name of the private security entity, the insured amounts, the policy number, the policy expiration date, and the name, business address, and phone number of the insurance company.

(4) Private security entities must maintain general liability insurance at all times.

(5) If the general liability insurance is cancelled or the private security entity changes insurance companies, the private security entity must:

(a) Notify the Department in writing within 10 business days of the cancellation or change; and

(b) Submit proof of insurance to the Department within 10 business days of the effective date of the new policy.

~~(6) If the private security entity is a public body as defined in ORS 30.260, upon approval by the Department, the private security entity may meet its obligation to maintain general liability insurance through:~~

~~(a) The purchase of insurance as described in this rule;~~

~~(b) The use of self-insurance or assessments paid under ORS 30.282 that is substantially similar to the types and amounts of insurance coverage described in this rule; or~~

~~(c) A combination of any or all of the foregoing.~~

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0125 Tax Compliance

(1) Private security entities must provide proof of compliance with business tax requirements. The form of proof must be an Oregon Department of Revenue Certificate of Tax Compliance.

(2) Private security entities applying for a new license must provide a certificate of tax compliance that has been issued no earlier than 90 calendar days prior to the date the initial application is submitted.

(3) Private security entities renewing a license must submit a certificate of tax compliance issued no earlier than 90 calendar days prior to the expiration date listed on the current license.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0130 Proof of Ability to Pay Wages

(1) Private security entities must provide proof of financial ability to promptly pay the wages of executive managers, private security professionals, and supervisory managers employed by or who contract with the private security entity. ~~Except as provided in section (6) of this rule, the form of~~ **The** proof must be one of the following:

(a) A corporate surety bond;

(b) An irrevocable letter of credit;

(c) A cash deposit; or

(d) A deposit the equivalent of cash **in the form of a business check, cashier's check, certified check, electronic funds transfer, or money order**.

~~(2) Private security entities must maintain a **corporate** surety bond, irrevocable letter of credit, or deposit at all times. The amount required for proof of ability to pay wages is based on the number of executive managers, private security professionals, and supervisory managers employed by or who contract with the private security entity. The bond, letter of credit, or deposit must be:~~

~~(a) $5,000 when a private security entity has 10 or fewer executive managers, private security professionals, and supervisory managers;~~

~~(b) $10,000 when a private security entity has 11 to 20 executive managers, private security professionals, and supervisory managers;~~

~~(c) $20,000 when a private security entity has 21 to 50 executive managers, private security professionals, and supervisory managers; or~~

~~(d) $30,000 when a private security entity has more than 50 executive managers, private security professionals, and supervisory managers.~~

(2) Private security entities must maintain one of the financial instruments listed in section (1) in the amount of $30,000 at all times.

(3) Private security entities using a **corporate** surety bond or irrevocable letter of credit as proof of ability to pay wages must:

(a) Notify the Department in writing within 10 business days of a cancellation or change of guarantor; and

(b) Submit new proof of ability to pay wages to the Department within 10 business days of the notice required above.

(4) An irrevocable letter of credit submitted to the Department is subject to approval by the Department prior to the issuance of a license.

(5) Private security entities using a cash deposit or a deposit the equivalent of cash must complete a trust agreement with the Department. The deposit must be in a form approved by and payable to the Department of Public Safety Standards and Training.

~~(6) If the private security entity is a public body as defined in ORS 30.260, upon approval by the Department, the private security entity may provide proof of the ability to pay wages in the form of a financial officer statement attesting to the private security entity's ability to promptly pay the wages. This private security entity may also submit additional evidence such as profit and loss statements, bank account records, personnel records, or payroll records demonstrating that, during the licensing period, the private security entity has been paying the wages to their executive managers, private security professionals, and supervisory managers. The Department may request such additional evidence if not provided by the private security entity.~~

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0140 Firearms Qualifications, Qualification Records, and Notice Requirements

(1) Private security entities employing armed private security professionals must ensure that each armed private security professional successfully completes a firearms qualification for each firearm make, model, and caliber that the armed private security professional will possess or have access to while performing private security services.

(2) The firearms qualifications required to comply with this rule must be completed before the armed private security professional can provide armed private security services where they would possess or have access to the corresponding make, model, and caliber of firearm.

(3) Firearms Qualifications Courses.

(a) Handgun qualifications for the make, model, and caliber of the handgun that the armed private security professional will possess or have access to while performing private security services must be conducted by a Department-certified private security firearms instructor using the qualification standards and targets found in the Department's Basic Firearms Course for armed private security professionals.

(b) Rifle, shotgun, or other long gun qualifications must be conducted using an applicable qualification course for the make, model, and caliber of the rifle, shotgun, or long gun that the armed private security professional will possess or have access to while performing private security services and must be conducted by a qualified firearms instructor, as determined by the private security entity.

(4) ~~Private security entities must maintain records, for at least three years, that demonstrate compliance with this rule such as the name of the armed private security professional, the make, model, and caliber of each firearm that the armed private security professional possesses or has access to while performing private security services, and the dates and records of the firearms qualifications. The records must be provided to the Department upon request.~~ **Private security entities must maintain records demonstrating compliance with OAR 259-059-0140, as required by OAR 259-059-0200.**

(5) Private security entities must notify the Department in writing within 48 hours of knowledge that a certified armed private security professional or private security firearms instructor employed by the private security entity becomes ineligible to purchase, own, or possess a firearm. The notification must list all facts known of the circumstances causing the ineligibility and must identify a person whom the Department may contact for additional information.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900 & ORS 181A.906

OAR 259-059-0150 Professional Workplace Training Requirements

(1) Private security entities must provide the Professional Workplace Training Course to each private security provider. The Professional Workplace Training Course must be completed within the following timelines:

(a) If the private security provider is employed by the private security entity at the time **the license is issued** ~~of licensure~~, at least once during the first year in which the license is issued;

(b) If the private security provider is hired after the issuance or renewal date of the license, within 90 days of the private security provider's initial date of hire; and

(c) At least once every two years after the renewal of a license.

(2) The Professional Workplace Training Course is the training course obtained by the Department, through the Bureau of Labor and Industries, for licensees to use to provide training on:

(a) Preventing sexual assault and sexual harassment in the workplace;

(b) Preventing discrimination in the workplace and promoting cultural competency; and

(c) Educating the workforce regarding protection for employees who report a violation of a state or federal law, rule or regulation.

(3) The Department will provide the Professional Workplace Training Course online, as self-paced training.

(4) Private security providers must be provided with paid time to complete the Professional Workplace Training Course and may not be required or permitted to perform their regular work duties during the time they are taking the training.

(5) Private security entities must provide private security providers with access to the appropriate resources to complete the Professional Workplace Training Course such as, but not limited to, a computer, a printer, and internet access.

(6) ~~Private security entities must maintain records, for at least three years, that demonstrate compliance with this rule such as the name of the private security provider, the private security provider's date of hire, and the date the private security provider completed the training. The records must be provided to the Department upon request.~~ **Private security entities must maintain records demonstrating compliance with OAR 259-059-0150, as required by OAR 259-059-0200.**

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900 & ORS 181A.908

OAR 259-059-0160 Statement of Employee Rights and Remedies

(1) Private security entities must provide a written statement of employee rights and remedies to each private security provider at the time of hiring.

(2) The statement of employee rights and remedies must provide a plain language description of the employee's rights and remedies under the following laws:

(a) ORS 181A.840 to 181A.918 – Private Security Entity Licensing;

(b) ORS Chapter 652 - Hours; Wages; Wage Claims; Records;

(c) ORS Chapter 653 - Minimum Wages; Employment Conditions; Minors;

(d) ORS Chapter 654 - Occupational Safety and Health;

(e) ORS Chapter 656 - Workers' Compensation;

(f) ORS Chapter 657 – Unemployment Insurance;

(g) ORS Chapter 657B – Family and Medical Leave Insurance;

(h) ORS Chapter 659A - Unlawful Discrimination in Employment, Public Accommodations and Real Property Transactions; Administrative and Civil Enforcement;

(i) ORS 659A.150 - 659A.186 – Oregon Family Leave Act;

(j) The Service Contract Act (41 U.S.C. 351-401); and

(k) The National Labor Relations Act (29 U.S.C. 151-169).

(3) The Department provides a form for licensees to use to comply with this rule. Licensees may use any form for providing this information to private security providers so long as it contains all the elements in the form provided by the Department.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900 & ORS 181A.913

OAR 259-059-0170 Statement of Terms and Conditions of Employment

(1) Private security entities must provide a written statement of terms and conditions of employment to each private security provider at the time of hiring.

(2) The statement of terms and conditions of employment must provide, at a minimum, a description of the following elements:

(a) Rate of pay, including the method of computing the rate of compensation;

(b) Eligibility for overtime;

(c) Scheduling information;

(d) Worksite locations;

(e) Equipment and uniforms;

(f) Vehicle use in the scope of employment;

(g) Use of firearms in the scope of employment; and

(h) Disclosure of the existence of a labor dispute at a worksite.

(3) Licensees may use any form for providing this information to private security providers so long as it contains all the elements listed in section (2) above. The Department provides a sample form that licensees may use to comply with this rule.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900 & ORS 181A.913

OAR 259-059-0180 Statement of Earnings

(1) Private security entities must provide each private security provider with a written itemized statement of earnings each time the private security provider receives a compensation payment from the private security entity.

(2) The statement of earnings must include at a minimum the following elements:

(a) The total gross payment being made;

(b) The amount and purpose of each deduction from the gross payment;

(c) The total number of hours worked during the time covered by the gross payment;

(d) The rate of pay;

(e) The net amount paid after any deductions;

(f) The employer's name, address and telephone number; and

(g) The pay period for which the payment is made.

(3) Licensees may use any form for providing this information to private security providers so long as it contains all the elements listed in section (2) above. The Department provides a sample form that licensees may use to comply with this rule.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900 & ORS 181A.913

OAR 259-059-0190 Change of Information

Private security entities must notify the Department in writing within 10 business days if there are changes to:

(1) The private security entity's physical address, mailing address, phone number, or e-mail address.

(2) The entity representative's physical business address, business mailing address, business phone number, or business e-mail address.

(3) The private security entity's business name, including doing business as or operating as names.

<u>(4) The private security entity's ownership due to sale or transfer as required by OAR 259-059-0040.</u>

(~~4~~ **<u>5</u>**) The private security services the private security entity provides by adding or ceasing to provide armed private security services.

(~~5~~ **<u>6</u>**) The entity representative as required by OAR 259-059-0030.

(~~6~~ **<u>7</u>**) The designated executive manager as required by OAR 259-059-0100.

(~~7~~ **<u>8</u>**) The general liability insurance as required by OAR 259-059-0120.

(~~8~~ **<u>9</u>**) The proof of ability to pay wages as required by OAR 259-059-0130.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0200 Records Retention

(1) ~~In addition to any records required under a separate rule, private security entities must maintain the following records for at least three years from the date a record reflecting or including such information is created:~~ **Private security entities must maintain the following records for at least three years from the date each record is created and must provide these records to the Department upon request:**

(a) The names and addresses of all persons financially interested, whether as partners, shareholders, associates or profit-sharers, in the private security entity's operation as a private security entity, together with the amount of their respective interests**.**~~;~~

(b) The physical address of the work location or locations at which private security services are provided by private security professionals employed by or pursuant to a contract or subcontract with the private security entity**.**~~; and~~

(c) For each work location at which private security services are provided by private security professionals pursuant to a contract or subcontract with the private security entity, the names of the private security entity or entities contracted or subcontracted with the entity.

(d) Documentation demonstrating compliance with firearms qualification requirements (OAR 259-059-0140), including:

(A) The name of the armed private security professional;

(B) The make, model, and caliber of each firearm that the armed private security professional possesses or has access to while performing private security services; and

(C) The dates and records of the firearms qualifications.

(e) Documentation demonstrating compliance with the Professional Workplace Training requirements (OAR 259-059-0150), including:

(A) The name of the private security provider;

(B) The private security provider's date of hire; and

(C) The date the private security provider completed the training.

(2) The Department requires private security entities to retain these records for purposes relating to the **license** application ~~for licensure~~, investigation of character, competence, and reliability, and determining compliance with ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59. ~~The records must be provided to the Department upon request.~~

(3) The records described in section (1) of this rule must be maintained regardless of a private security provider's employment status or a financially interested person's affiliation with the private security entity.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0300 Complaints

(1) Any complaint or allegation made to the Department against an applicant or licensee must be submitted on a Department-approved complaint form before an investigation can be initiated unless the Department grants an exception.

(2) A complainant must file the complaint or allegation with the Department within one year of knowledge of the incident's occurrence.

(3) When the Department receives a complaint or allegation, the Department will conduct a preliminary administrative review of the complaint or allegation to ensure there is sufficient information to proceed. The Department may conduct a fact-finding preliminary investigation. The Department may consider additional credible sources of information to determine non-compliance.

(4) If the Department determines that there is sufficient information to support the complaint or allegation, the Department may open a case and conduct an investigation to gather relevant information.

(5) Applicants, licensees, entity representatives, or other involved parties must respond to any questions or requests within 20 business days after a request is mailed by the Department unless an extension is requested and approved by the Department.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0310 Protesting Issuance of a License

(1) Any person may protest the issuance, including renewal, of a license to any applicant. The protest may be made at any time after the license is issued as well as at any time prior to the issuance of the license.

(2) Any person protesting the issuance of a license must file the protest in writing with the Department.

(3) The written protest must contain the following information:

(a) Name, address, and phone number of the person filing the protest;

(b) Date of the protest;

(c) Name of the applicant or licensee against whom the protest is being made;

(d) A complete statement of the facts, circumstances, and other reasons for the protest. The statement should include alleged violations, approximate dates of alleged violations, names of witnesses, if any, and any documents which support the allegations; and

(e) The signature of the individual making the protest.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900 & ORS 181A.902

OAR 259-059-0400 Compliance

(1) The Department may cause administrative proceedings or court action to be initiated to enforce a private security entity's compliance with ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59.

(2) Violations. The Department may find violation and recommend assessment of civil penalties upon finding that a private security entity has previously engaged in or is currently engaging in any of the following acts:

(a) Operating as a private security entity without a license in violation of ORS 181A.850;

(b) Using a name that implies that the private security entity is, or is affiliated with, an existing law enforcement unit or public safety agency as defined in ORS 181A.355, the organized militia as described in ORS 396.105, the Armed Forces of the United States, a federal law enforcement agency or a federal intelligence agency in violation of ORS 181A.893 and OAR 259-059-0095;

(c) Possessing or using in the scope of employment prohibited equipment, vehicles, uniforms, or titles as defined in OAR 259-059-0090;

(d) Discharging or in any other manner discriminating against private security providers in violation of ORS 181A.914;

(e) Failing to maintain a designated executive manager as required by ORS 181A.900 and OAR 259-059-0100;

(f) Failing to maintain general liability insurance as required by ORS 181A.900 and OAR 259-059-0120;

(g) Failing to maintain proof of ability to pay wages as required by ORS 181A.900 and OAR 259-059-0130;

(h) Failing to have a use of force policy and a citizen arrest policy as required by ORS 181A.900 and OAR 259-059-0110;

(i) Failing to ensure armed private security professionals successfully complete a firearms qualification for each firearm make, model, and caliber that the armed private security professional will possess or have access to while performing private security services as required by ORS 181A.906 and OAR 259-059-0140;

(j) Failing to provide the Professional Workplace Training Course as required by ORS 181A.908 and OAR 259-059-0150;

(k) Failing to provide private security providers employed by the entity with any of the statements as required by ORS 181A.913 and OAR 259-059-0160 through OAR 259-059-0180;

(l) Failing to maintain records as required by OAR Chapter 259 Division 59;

(m) Failing to notify the Department of a change of information as required by OAR 259-059-0190;

(n) Failing to file or furnish all forms and other information as required by ORS 181A.900 to 181A.918 or OAR Chapter 259 Division 59;

(o) Falsifying any information submitted on the **license** application ~~for licensure~~ or on any documents submitted to the Board or the Department;

(p) Assigning a person to perform private security services without a valid private security professional certification or temporary work permit; or

~~(p)~~ **(q)** Any other violation of ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59.

(3) The Department may issue a Demand to Examine Books and Records (DEBR) to obtain any record or document related to compliance.

(a) The Department may cause inspection or audits of the records of any private security entity. Records inspected may include any document relating to the requirements of ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59.

(b) Failure to cooperate or respond to any investigative inquiries or DEBR may result in issuance of a civil penalty under this rule or the denial, refusal to renew, revocation, or suspension of a license under OAR 259-059-0410.

(4) Allegation of Non-Compliance. The Department may issue an Allegation of Non-Compliance when there is a reason to believe a violation has occurred. The purpose of this document is to provide education and allow an opportunity for the private security entity to gain compliance, within a reasonable time agreed on by the Department and the private security entity, without penalty.

(5) Notice of Violation. The Department may issue a Notice of Violation upon discovery of a violation.

(a) The Notice will include a statement of found violations and proposed sanctions, and an opportunity to provide mitigation to the Department.

(b) A private security entity served with a Notice of Violation has 10 business days from the date of mailing or personal service of the Notice to remedy the violation and pay a penalty or submit a written request for a time extension to remedy the violation and pay the penalty.

(c) The Department may extend the time to remedy a violation upon a showing of good cause.

(d) Failure to remedy a violation or request an extension within 10 business days of the mailing of the Notice of Violation may result in the assessment of a civil penalty.

(6) Notice of Intent to Propose a Civil Penalty. When the Board assesses a civil penalty, the Department will issue a Notice of Intent to Propose a Civil Penalty pursuant to the applicable provisions of the Attorney General's Model Rules of Procedures adopted under OAR 259-005-0015.

(a) A private security entity who has been served with a Notice of Intent to Propose a Civil Penalty has 20 business days from the date of mailing or personal service of the Notice to file a written request for a hearing with the Department.

(b) If the Department receives a timely request for a hearing, it will refer the matter to the Office of Administrative Hearings in accordance with OAR 137-003-0515.

(7) Default Orders. If the Department does not receive a timely request for a hearing, the Notice of Intent to Impose a Civil Penalty will become a Final Order Imposing Civil Penalty.

(8) Resolution by Stipulation. The Department is authorized to seek resolution of a civil penalty by stipulation, subject to acceptance and approval by the Board or the Department's Director, if:

(a) The matter is resolved before entry of a Final Order Imposing Civil Penalty;

(b) The private security entity satisfies all terms set forth by the Department within the time allowed; and

(c) Any stipulated penalty amount is received by the Department.

(9) Civil Penalty Amounts.

(a) Each 30-day period in violation of the same statute or rule is considered a separate violation by the Department.

(b) A flagrant violation occurs when a private security entity who, after being notified of a violation, continues or repeats the violation within a 36-month period after the initial violation.

(c) A private security entity will be charged a civil penalty of not less than $1,000 for the first violation and $1,500 for each flagrant violation.

(10) The Department may reduce or waive civil penalties from the amounts set in this rule at any time prior to the entry of a Final Order in situations where further mitigation warrants or the matter is resolved by stipulation.

(11) The Department will recommend the Board assess the full civil penalty amount when a private security entity fails to satisfy the terms as stipulated.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900 & ORS 181A.995

OAR 259-059-0410 Grounds to Deny, Refuse to Renew, Revoke, or Suspend a Private Security Entity License

(1) The Department must deny, refuse to renew, revoke, or suspend a license when the Department finds that an applicant's or licensee's character, competence, or reliability are unsatisfactory under OAR 259-059-0080.

(2) The Department may deny, refuse to renew, revoke, or suspend a license when the Department determines that an applicant or licensee:

(a) Falsified any information submitted on the **<u>license</u>** application ~~for licensure~~ or on any documents submitted to the Board or the Department;

(b) Intentionally altered a license or Temporary Authorization Form, or used another private security entity's license or Temporary Authorization Form;

(c) Knowingly permitted another private security entity to use the licensee's license or Temporary Authorization Form;

(d) Failed to cooperate or respond to the Department's investigative inquiries or requests for records relating to compliance with ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59;

(e) Failed to provide the Professional Workplace Training Course as required by ORS 181A.908 and OAR 259-059-0150;

(f) Failed to ensure armed private security professionals successfully complete a firearms qualification for each firearm make, model, and caliber that the armed private security professional will possess or have access to while performing private security services as required by ORS 181A.906 and OAR 259-059-0140;

(g) Discharged or discriminated in any way against a private security provider in violation of ORS 181A.914;

(h) Operated as a private security entity without a license in violation of ORS 181A.850;

<u>(i) Assigned a person to perform private security services without a valid private security professional certification or temporary work permit.</u>

~~(i)~~ **<u>(j)</u>** Failed to pay a civil penalty imposed by the Board when due;

~~(j)~~ **<u>(k)</u>** Received three or more civil penalties under ORS 181A.995 and OAR 259-059-0400; or

~~(k)~~ **<u>(l)</u>** Received an Emergency Suspension Order issued by the Department.

(3) Emergency Suspension. The Department must issue an Emergency Suspension Order immediately suspending a private security entity's license when the Department finds that there is a serious danger to public health and safety.

(4) Any Board or Department action to deny, refuse to renew, revoke, or suspend a private security entity's license will be administered in accordance with OAR 259-059-0410 through

259-059-0440 and the applicable provisions of the Attorney General's Model Rules of Procedure adopted under OAR 259-005-0015.

(5) Nothing in this rule precludes the Department from recommending the Board impose a civil penalty in lieu of denying, refusing to renew, revoking, or suspending a license.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900, ORS 181A.902 & ORS 181A.995

OAR 259-059-0420 Department Review for Denial, Refusal to Renew, Revocation, or Suspension of a Private Security Entity License

(1) When the Department receives information from any source that an applicant or licensee may not meet the established standards for **a** private security entity **license** ~~licensure~~, the Department will review the information to determine if substantial evidence exists to support denial, refusal to renew, revocation, or suspension of the license under ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59. Receipt of information may include, but is not limited to:

(a) Information obtained through an investigation of the applicant's or licensee's character, competence, and reliability for the issuance or renewal of a license;

(b) Notification from any governmental agency that the applicant or licensee has unsatisfied final judgments of the court or final orders issued which require the payment of unpaid wages to private security providers, non-compliance with business tax requirements, or a violation of ORS 181A.914;

(c) Any protest of the issuance or renewal of a license; or

(d) Any complaint submitted to the Department alleging that an applicant or licensee may have violated ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59.

(2) If the Department determines that an applicant or licensee may have violated ORS 181A.840 to 181A.918 or OAR Chapter 259 Division 59, the Department will serve the applicant or licensee with a preliminary notification of denial, refusal to renew, revocation, or suspension. The preliminary notification provides the applicant or licensee an opportunity to respond in writing to the Department's preliminary notification to deny, refuse to renew, revoke, or suspend the license, and provides the opportunity for the applicant or licensee to surrender the license or withdraw the application for **a license** ~~licensure~~.

(a) The applicant or licensee will have 10 business days from the date of the Department's preliminary notification to provide a written response.

(b) If the applicant or licensee does not provide a written response within 10 business days, the Department will proceed with reviewing the information available and making a determination.

(3) After the opportunity to submit a written response, the Department must consider the totality of the case, which includes the violations and any aggravating or mitigating circumstances unique to the case.

(a) When the Department determines that the circumstances unique to the case mitigate the adverse impacts of the violation, the Department may issue the private security entity license or take no action to deny, refuse, revoke, or suspend the license.

(b) When the Department determines that the circumstances unique to the case do not mitigate the adverse impacts of the violation, the Department will prepare and serve a Notice of Intent on the applicant or licensee in accordance with OAR 259-059-0410 through 259-059-0440.

(4) Ineligibility Periods. When a license is denied, refused renewal, or revoked, the Final Order issued by the Department will state the ineligibility period. Except when the license is permanently revoked, the maximum ineligibility period the Department may prescribe is three years from the date of the Final Order denying, refusing to renew, or revoking the license.

(5) The administrative rules in effect on the date the Department or the Board determines that the applicant or licensee violated the standards for **a license** ~~licensure~~ will continue to apply until the Final Order has been issued and all appeal rights have been exhausted regardless of whether the administrative rules have been subsequently amended or repealed.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0430 Surrender of a Private Security Entity License

(1) A licensee may request the Department accept the surrender of the license. The request must be submitted in writing.

(2) The license remains in effect until the Department accepts the surrender.

(3) If the Department accepts the surrender, the Department will notify the licensee of the acceptance date. The person must stop operating as a private security entity as of the acceptance date.

(4) If the person wants to operate as a private security entity after the acceptance date, the person must apply for a new license by meeting all the initial requirements for **licensing** ~~licensure~~ under ORS 181A.900 to 181A.918 and OAR Chapter 259 Division 59.

(5) If the licensee is the subject of a pending protest, complaint, or Department investigation, the Department may accept the surrender through a stipulated order revoking the license. The stipulated order may prohibit the person from being licensed for a specified ineligibility period.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

OAR 259-059-0440 Issuance of Notice of Intent / Request for Hearing / Contested Case Procedures

(1) Upon a determination to proceed with denial, refusal to renew, revocation, or suspension of a license, the Department will prepare and serve a Notice of Intent on the applicant or licensee.

(2) Response Time.

(a) A party who has been served with a Notice of Intent to Deny ~~Licensure~~ has 60 business days from the date of mailing or personal service of the Notice to file a written request for hearing or a written request withdrawing their application from consideration with the Department. Applicants who choose to withdraw their application forfeit their application fees.

(b) A party who has been served with a Notice of Intent to Refuse Renewal has 60 business days from the date of mailing or personal service of the Notice to file a written request for hearing with the Department.

(c) A party who has been served with a Notice of Intent to Revoke ~~Licensure~~ has 20 business days from the date of mailing or personal service of the Notice to file a written request for hearing with the Department.

(d) A party who has been served with a Notice of Intent to Suspend has 20 business days from the date of mailing or personal service of the Notice to file a written request for a hearing with the Department.

(e) A party who has been served with an Emergency Suspension Order has 90 business days from the date of mailing or personal service of the Order to file a written request for hearing with the Department.

(3) Default Orders. If the Department does not receive a timely request for a hearing, the Notice of Intent will become a Final Order denying, refusing to renew, revoking, or suspending the license pursuant to OAR 137-003-0672.

(4) Hearing Request. If the Department receives a timely request for a hearing, it will refer the matter to the Office of Administrative Hearings in accordance with OAR 137-003-0515.

(5) When a hearing is requested, Proposed Orders, Exceptions, and Final Orders will be issued pursuant to the applicable provisions of the Attorney General's Model Rules of Procedure adopted under OAR 259-005-0015.

Statutory/Other Authority: ORS 181A.870 & ORS 181A.900
Statutes/Other Implemented: ORS 181A.900

Department of Public Safety Standards and Training
Memo

Date: September 29, 2026

To: Private Security Entity Rules Advisory Committee (RAC)

From: Suzy Herring, Private Professional Certification and Licensing Program Manager
Michael Holsapple, Private Security Entity Licensing Program Compliance Specialist
Jennifer Howald, Legislative and Administrative Rules Coordinator

Subject: Draft Legislative Concept for the DPSST Private Security Entity Licensing Program

Overview:

DPSST drafted a proposed legislative concept (LC) to address statutory gaps and inconsistencies that have emerged following the implementation of the private security entity licensing program.

House Bill 2527 (2021) established the requirement for certain businesses to obtain a private security entity license, and that requirement took effect on January 1, 2024. Because HB 2527 amended and was incorporated into the existing statutory framework governing private security providers, several areas of overlap and conflict have since been identified. Senate Bill 300 (2025) further clarified which businesses must obtain a private security entity license, limiting the requirement to entities that provide private security services to others.

Now that the private security entity licensing program has been in effect for two years, DPSST has undertaken a comprehensive review of related statutes and administrative rules. The most critical issue is the need for clear statutory authority for DPSST to deny, suspend, or revoke private security entity licenses. Although ORS 181A.900 currently grants broad programmatic authority, explicit authority for licensing determinations would align this program with other DPSST regulatory programs and strengthen the agency's ability to administer enforcement actions.

Additional issues identified by DPSST include the need to update definitions to reflect the new entity licensing structure, improve clarity around executive manager responsibilities, modernize outdated statutory references, simplify insurance and financial proof requirements, and establish a separate civil penalty structure for private security entities. These changes are intended to improve statutory clarity, support more efficient administration, and ensure appropriate oversight and accountability for both individuals and businesses operating within the private security regulatory framework.

The following provides a statute-by-statute, subsection-by-subsection description of the issue and the proposed solution. Attachment A provides a copy of the draft changes for each statute.

ORS 181A.840

(2) “Executive manager” – The executive manager license was established to ensure that one person per employer would be responsible for ensuring that the private security professionals were certified before providing private security services. This remains an important distinction because the definition of a private security entity only applies to a portion of private security employers. Maintaining the executive manager’s responsibilities remains critical to administration and enforcement of the private security provider certification and licensing requirements found in ORS and OAR.

When HB 2527 was added to and made a part of ORS 181A.840 to 181A.891, it added some unintentional confusion or overlap between existing private security provider regulation and the new private security entity regulation. In publishing the compilation of ORS, the range was amended to ORS 181A.840 to 181A.918 to include the existing private security provider statutes and the new private security entity statutes.

- **Solution:** Amend ORS 181A.840 (2) to clarify that the executive manager is responsible for the certification and licensure of private security providers.

(4) “License” – The current definition of a license only refers to the executive and supervisory manager licenses. HB 2527 established the private security entity license. The term license is used throughout ORS 181A.840 to 181A.918 and 181A.995 and includes the private security entity license.

Notes: The sample language provided does not include the phrase “…adopted by the Board on Public Safety Standards and Training as…” This is a distinction between language found in ORS 181A.870 relating to providers and ORS 181A.900 relating to entities. The Department is neutral on whether or not the amendments to the definition of a license to add the private security entity license also reference adoption of rules by the Board. The Department interprets ORS 181A.900 as granting it full authority to administer the private security entity licensing program. However, as a best practice the Department includes the Board’s approval of administrative rules for private security entities in the rulemaking process.

- **Solution:** Amend the definition of a license to include the private security entity license.

(7) “Private security professional” – This definition uses the phrase “private security services for consideration.” The definition for a private security entity uses the phrase “private security services for an agreed remuneration or rate of pay.” Using consistent language will improve interpretation and enforcement for the provider and entity certification and licensing requirements.

- **Solution:** Amend the definition of “private security professional” to align with the wording used in the definition of “private security entity.”

(8) “Private security provider” – Legislative Counsel included a technical amendment to the definition of “private security provider” in SB 114 (2021).

- **Solution:** Include the technical edit. This is optional and not necessary for the intent of the concept request.

ORS 181A.850

Under paragraph (1)(b), it is unlawful for an entity to provide services without giving the person they are providing services to the Department's website, where the entity license information can be verified. Conversely, paragraph (1)(c) makes it unlawful for the person using a private security entity to retain those services without first verifying the entity's license information on the Department's website. The Department proposes amendments to improve the intended outcomes for license identification and verification.

- **Solution:** Amend (1)(b) to require a private security entity to provide their license number with the Department's website to the persons they will be providing private security services to for license verification purposes. Amend (1)(c) to simplify the requirement for persons using a private security entity to verify that the private security entity has been issued a license by expanding verification access to any method of contact with the Department, not just the website.

(1)(g) - This paragraph makes it unlawful for an executive manager to assign a person to perform private security services unless the person is certified as a private security professional. Now that the Department has oversight of private security entities, the agency would like to enforce this prohibited act at the employer/business level as well.

- **Solution:** Amend the unlawful practice of assigning uncertified persons to perform private security services to include private security entities.

ORS 181A.880

This statute directs the Department to provide an opportunity for a hearing "consistent with the provisions of ORS 181A.630" and ORS chapter 183. This requirement was established in 1997. The issue is that the current language in ORS 181A.630 related to hearings is different from what it was in 1997 and no longer correlates to the authority and procedures found in 181A.840 to 181A.918 and the rules adopted. This statute names both the Board on Public Safety Standards and Training and the Department in actions to deny, suspend or revoke a private security provider or entity certification or license. However, the Department makes these determinations, without Board involvement.

- **Solution:** Delete the references to the Board and to ORS 181A.630. This retains the Department as the body that makes determination related to private security provider or entity denial, suspension or revocation and the adherence to the Administrative Procedures Act for rights and opportunities for hearings.

ORS 181A.900

(1) - This subsection provides the Department's authority to adopt rules for the standards and procedures for licensing private security entities. While ORS 181A.900 (1) gives the Department broad authority, which would include adoption of rules for standards and procedures to deny, suspend or revoke, it would be clearer to have express authority in the governing statutes. All of the Department's other regulatory programs outline explicit authority. This authority was included in SB 114 (2021 - introduced) but lost during the amendments for HB 2527 (2021 - passed).

- **Solution:** Amend ORS 181A.900 (1) to specify that the rules for establishing standards and procedures include issuing, denying, renewing, suspending and revoking a private security entity's license.

(2)(e) – This paragraph requires an applicant for a private security entity license to have general liability insurance that includes public liability, personal injury and property damage insurance. The Department proposes removing the specificity of the insurance to streamline operational processes and costs for private security entity applicants.

- **Solution:** Delete language that specifies types of coverage while retaining the basic requirement to have general liability insurance.

(2)(h)(A) – This subparagraph requires a private security entity application to include a list of financially interested parties and whether they ever had a private security provider certification or license denied, suspended, or revoked. The Department believes that reporting whether these financially interested parties ever had a private security entity license denied, suspended, or revoked was unintentionally left out in HB 2527, under a misunderstanding that both providers and entities were covered under ORS 181A.870, when in fact ORS 181A.870 only applies to providers.

- **Solution:** Add language to require a private security entity to identify their financially interested parties who have had a private security entity license denied, suspended or revoked.

(3) – This subsection requires an applicant for a private security entity license to provide proof of their financial ability to promptly pay wages of executive managers, private security professionals and supervisory managers. This subsection states that the proof shall be in an amount and form as established by the Department by rule and also identifies types of proof to be included. The Department proposes removing the specificity of the types of proof listed in statute. This revision would maintain a more general requirement for proof based on rules adopted by the Department.

- **Solution:** Delete "including but not limited to, a corporate surety bond, a cash deposit or a deposit the equivalent of cash".

(5) – It is unlawful for a private security entity to operate without a license; however, it can take up to several weeks to complete the application process either due to staff processing times or due to an incomplete application. The Department currently relies on the broad rulemaking

authority in ORS 181A.900 (1) to adopt rules that provide a temporary authorization for a private security entity applicant to provide private security services while their application is pending. Adding the authority to statute will ensure that the Department is administering the scope of the licensing program within the intent of the law.

- **Solution:** Add language granting the Department the authority to adopt rules to issue a temporary license.

ORS 181A.904

This statute names the Department's director as the authority for prescribing the requirements for the private security entity licensing exam. This was a formatting carryover from the copy and paste of language used in the labor contractor ORS 658.412. It is an unnecessary specification.

- **Solution:** Delete the reference to the director.

ORS 181A.995

(1)(d) – This subsection outlines the criminal penalty for violations of ORS 181A.850, such as providing private security services without being properly certified or licensed as a private security provider or private security entity. Paragraph (1)(d) is specific to the violation of retaining services from a private security entity without first verifying the entity's license on the Department's website. The Department proposed changes to ORS 181A.850 (1)(c) to clarify the requirement for persons using a private security entity to verify a private security entity's license has been issued by expanding verification access to any method of contact with the Department, not just the website. Corresponding edits to ORS 181A.995(1)(d) are required to maintain alignment across statutes.

- **Solution:** Amend ORS 181A.995(1)(d) to correspond with amendments made to ORS 181A.850(1)(c).

(2) – This subsection establishes civil penalty authority for violations of ORS 181A.840 to 181A.918. HB 2527 was added to and made a part of ORS 181A.840 to 181A.891, and when the ORS compilation was published, the range was amended to ORS 181A.840 to 181A.918, to include the existing private security provider statutes and the new private security entity statutes.

While HB 2527 established private security entity license sanctions based on multiple civil penalty violations in subsection (3), it did not consider or distinguish between provider-level violations and entity-level violations. As a result, all civil penalties are capped at the same maximum amount for individuals and entities, yet entities bear higher responsibility and have greater capacity for systemic violations.

- **Solution:**

- Add language to subsection (2) that ties the civil penalty authority to the provisions within ORS 181A.840 to 181A.918 that apply to private security providers.
- Add a new subsection (3) that creates a separate civil penalty authority linked to the provisions within ORS 181A.840 to 181A.918 that apply to private security entities for the purpose of increasing the maximum value of the civil penalty for a private security entity to reflect the increase in responsibility.
- Include conforming amendments to renumber the remaining subsections and any subsection citations.

Process:

DPSST is an Executive Branch Agency. Accordingly, agency-requested legislative concepts that move forward become bills introduced at the request of the Governor on behalf of the agency. The Governor's Office reviewed this proposed LC and granted preliminary approval to proceed with the LC request process.

The LC request has been submitted to the Office of Legislative Counsel for drafting and is currently pending final authorization.

If introduced as a bill during the 2027 Legislative Session, the outcome will depend on the legislative process. DPSST requested that if the bill passes, the changes will take effect on the 91st day after sine die, around October 1, 2027.

DPSST did not identify any fiscal impacts for the agency, the Board, or the public. Constituents subject to private security entity licensing requirements may experience financial impacts from the proposed legislative changes. DPSST estimates that most amendments will remain financially neutral for private security providers and private security entities. Changes to the statutory language addressing general liability insurance (ORS 181A.900(2)(e)) and proof of the ability to pay wages (ORS 181A.900(3)) are expected to be financially neutral or result in operational cost savings for private security entities. The revisions to civil penalty authority and the increased maximum penalty amount may create fiscal impacts for private security entities found to have violated licensing requirements after passage of the bill; however, these changes would not apply retroactively.

Overview

This document provides a copy of draft legislative changes. The request for these changes is pending at this time. If introduced as a bill during the 2027 Legislative Session, the outcome will depend on the legislative process. This draft is for discussion purposes only.

The style for legislative edits uses **boldfaced** type for additions and [*italicized and bracketed type*] for deletions.

SECTION 1. ORS 181A.840 is amended to read:

181A.840. As used in ORS [*181A.360,*]181A.840 to 181A.918, 181A.895 and 181A.995:
(1) "Certification" means recognition by the Department of Public Safety Standards and Training that a private security professional meets all of the qualifications listed in ORS 181A.855.

(2) "Executive manager" means a person:

(a) Who is authorized to act on behalf of a company or business in matters of **private security provider** licensure and certification;

(b) Who is authorized to hire and terminate [*personnel*]**private security providers**;

(c) Whose primary responsibility is the management of certified **or licensed** private security [*professionals*]**providers**; and

(d) Who has [*final*]**civil and legal** responsibility for a company's or business's compliance with ORS 181A.840 to 181A.918 **in matters of private security provider licensure and certification**.

(3) "Instructor" means any person who has been certified by the department as meeting the requirements to provide instruction to private security providers or applicants.

[*(4) "License" means recognition by the department that an executive manager or supervisory manager meets the requirements adopted by the Board on Public Safety Standards and Training as necessary to provide private security services.*]

(4) "License" means:

(a) As applied to an executive manager or supervisory manager, recognition by the department that an executive manager or supervisory manager meets the requirements adopted by the Board on Public Safety Standards and Training as necessary to provide private security services; or

(b) As applied to a private security entity, recognition by the department that a private security entity meets the requirements adopted by the board as necessary to provide private security services.

(5) "Primary responsibility" means an activity that is fundamental to, and required or expected in, the regular course of employment and is not merely incidental to employment.

(6)(a) "Private security entity" includes any person that:

(A) For an agreed remuneration or rate of pay, recruits, solicits, supplies or employs private security providers to perform private security services for another person;

(B) For an agreed remuneration or rate of pay, recruits, solicits, supplies or employs private security providers on behalf of another employer to provide private security services; or

(C) Enters into a subcontract with another person to perform any of the activities described in subparagraph (A) or (B) of this paragraph.

(b) "Private security entity" does not include a special campus security provider commissioned under ORS 352.118 or a private security provider on a campus of an institution of higher education regulated under ORS 181A.972.

(7) "Private security professional" means an individual who performs, as the individual's primary responsibility, private security services for [*consideration*]**an agreed remuneration or rate of pay**, regardless of whether the individual, while performing the private security services, is armed or unarmed or wears a uniform or plain clothes, and regardless of whether the individual is employed part-time or full-time to perform private security services.

(8) "Private security provider" means [*any*]**an** individual who performs the functions of a private security professional, executive manager, supervisory manager or instructor.

(9) "Private security services" means the performance of at least one of the following activities:

(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.

(d) Controlling access to premises being protected or, with respect to a licensee of the Oregon Liquor and Cannabis Commission, controlling access to premises at an entry to the
premises or any portion of the premises where minors are prohibited.

(e) Securely moving prisoners.

(f) Taking enforcement action by detaining persons or placing persons under arrest under ORS 133.225.

(g) Providing canine services for guarding premises or for detecting unlawful devices or substances.

(10) "Supervisory manager" means an employee of or a person supervised by an executive manager who has as a primary responsibility the supervision of certified private security professionals.

SECTION 2. ORS 181A.850 is amended to read:

181A.850. (1) It is unlawful:

(a) For a private security entity to provide private security services unless the entity has obtained a license **or temporary authorization** under ORS 181A.900.

(b) For a person to perform any service as a private security entity without first providing to the person to whom services are to be provided **the private security entity's license number or temporary authorization number and** the Internet address for the

Department of Public Safety Standards and Training's webpage where [*a copy of or information pertaining to*] the private security entity's license **or temporary authorization** may be [*accessed*]**verified**.

(c) For a person to retain the services of a private security entity without first verifying through the Department of Public Safety Standards and Training's webpage [*where a copy of or information pertaining to the private security entity's license may be accessed*]**or other method of contact with the department that the private security entity is licensed or authorized under ORS 181A.900**.

(d) For a person to engage in the business of, or perform any service as a private security professional, or to offer services in such capacity unless the person has obtained a certificate under ORS 181A.870.

(e) For a person to engage in the business of, or perform any service as an executive manager or supervisory manager, or to offer services in such capacities unless the person has obtained a license under ORS 181A.870.

(f) For a person to perform supervisory duties over persons performing crowd management or guest services, as described in ORS 181A.845, unless the person has obtained a license or certificate under ORS 181A.870.

(g) Except as otherwise provided in subsection (2) of this section, for an executive manager **or a private security entity** to assign a person to perform private security services unless the person is certified as a private security professional under ORS 181A.870.

(2) An executive manager **or a private security entity** may temporarily assign a person who is not certified as required by this section to perform private security services within this state for a period of time not to exceed 90 days if:

(a) The person is employed in another state;

(b) The person holds a private security professional's certification or license from the other state; and

(c) The certification or licensing standards of the other state meet or exceed the standards of this state.

<u>SECTION 3. ORS 181A.880 is amended to read:</u>

181A.880. (1) If [*the Board on Public Safety Standards and Training or*] the Department of Public Safety Standards and Training denies a license or certificate or declines to renew a license or certificate or suspends or revokes a license or certificate, opportunity for a hearing [*consistent with the provisions of ORS 181A.630*] shall be afforded as provided in ORS chapter 183.

(2) Judicial review of orders issued after a hearing under subsection (1) of this section shall be as provided in ORS chapter 183.

<u>SECTION 4. ORS 181A.890 is amended to read:</u>

181A.890. Except as provided in ORS 181A.900 (3), all moneys received by the Department of Public Safety Standards and Training under ORS 181A.840 to 181A.918 and 181A.995, including penalties recovered under ORS 181A.995 (2) **or (3)**, shall be paid into the General

Fund in the State Treasury and placed to the credit of the Police Standards and Training Account established in ORS 181A.665.

SECTION 5. ORS 181A.900 is amended to read:

181A.900. (1) The Department of Public Safety Standards and Training shall establish by rule standards and procedures for [*the licensing of private security entities*]**issuing, denying, renewing, suspending and revoking a private security entity's license**.

(2) Rules adopted under this section must require that an applicant for a private security entity license:

(a) Submit a written application to the Department of Public Safety Standards and Training on a form approved by the department;
(b) Register the entity as a business with the Secretary of State;
(c) Be the principal owner or principal partner who exercises operational control over the entity;
(d) Designate an executive manager licensed by the department;
(e) Be covered by a general liability insurance policy for which the applicant is a primary insured [*that includes public liability, personal injury and property damage insurance*] covering all aspects of the private security services being provided;
(f) Maintain and make available to the department upon request records of the training hours completed by each private security provider employed by the entity;
(g) Demonstrate the existence of use of force and citizen arrest policies, unless the private security entity exclusively monitors alarm systems; and
(h) Provide the following information to the department:

(A) The names and addresses of all persons financially interested, whether as partners, shareholders, associates or profit-sharers, in the applicant's proposed operations as a private security entity, together with the amount of their respective interests, and whether or not, to the best of the applicant's knowledge, any of these persons was ever denied a certificate or a license under ORS 181A.870 **or 181A.900** within the preceding three years, or had a certificate or license suspended or revoked within the preceding three years;
(B) Proof of the existence of adequate insurance under rules issued by the department;
(C) Proof of compliance with business tax requirements;
(D) Any claims for unpaid wages that have been made against the applicant within the preceding two years;
(E) The physical address of the work location or locations at which private security services are provided by private security professionals employed by or pursuant to a contract or subcontract with the applicant; and
(F) For each work location at which private security services are provided by private security professionals pursuant to a contract or subcontract with the applicant, the names of the private security entity or entities contracted or subcontracted with the applicant.

(3) Each applicant shall submit with the application for a private security entity license, proof of financial ability to promptly pay the wages of [*executive managers, private security professionals and supervisory managers*]**private security providers** employed by or who contract with the private security entity. The proof required in this subsection shall be in an

amount and form as established by the department by rule[*, including but not limited to, a corporate surety bond, a cash deposit or a deposit the equivalent of cash*]. Amounts received by the department under this subsection must be deposited in the Private Security Entity Account established under ORS 181A.922.

(4) The department shall establish fees for issuing licenses to private security entities. The fees may not exceed the prorated direct costs of administering:
(a) The licensing program required by this section;
(b) The license examinations required by ORS 181A.904; and
(c) The investigations required by ORS 181A.902.

(5)(a) The department may grant a temporary authorization to operate as a private security entity to an applicant for a license issued under this section if the applicant meets the eligibility requirements for authorization established by the department by rule. Subject to paragraph (c) of this subsection, an applicant granted a temporary authorization under this subsection may operate as a private security entity while the authorization is valid and until the department issues or denies the license.
(b) A temporary authorization issued under this subsection does not constitute a license for the purposes of ORS chapter 183.
(c) The department may at any time, summarily and without prior administrative proceedings, refuse to issue or revoke a temporary authorization if the department reasonably believes that any of the grounds for denying, suspending or revoking a license under ORS 181A.840 to 181A.918 exist.
(d) The refusal to issue or the revocation of a temporary authorization under this subsection is not a contested case under ORS chapter 183.
(e) The department may establish by rule standards and procedures to carry out the provisions of this subsection.

SECTION 6. ORS 181A.904 is amended to read:

181A.904. The Department of Public Safety Standards and Training may not issue a license to operate as a private security entity until an applicant for such a license has successfully passed a qualifying examination designed to test the applicant's knowledge of the entity's responsibility to prevent sexual assault, sexual harassment and discrimination in the workplace. The [*director of the*] department shall prescribe by rule the requirements for and the manner of testing the competency of license applicants.

SECTION 7. ORS 181A.908 is amended to read:

181A.908. (1) Rules adopted under ORS 181A.900 shall require that a [*licensed private security entity*]**private security entity licensed or authorized under ORS 181A.900** provide professional training through the Bureau of Labor and Industries to private security providers employed or contracted by the private security entity on:
(a) Preventing sexual assault and sexual harassment in the workplace;

(b) Preventing discrimination in the workplace and promoting cultural competency; and
(c) Educating the workforce regarding protection for employees who report a violation of a state or federal law, rule or regulation.

(2) A private security entity shall provide the training as follows:
(a) At least once during the year in which a private security entity license is first issued to a private security entity;
(b) For new employees, within 90 days of the employee's initial hiring date; and
(c) At least once every two years after the renewal of a license.

SECTION 8. ORS 181A.913 is amended to read:

181A.913. [*A licensed private security entity shall:*] **A private security entity licensed or authorized under ORS 181A.900 shall:**

(1) Furnish to each private security [*professional*]**provider** employed by a private security entity, at the time of hiring, a written statement that includes a description of:
(a) The employee's rights and remedies under ORS chapters 652, 653, 654, 656 and 659A, the Service Contract Act (41 U.S.C. 351-401) and any other such law specified by the Department of Public Safety Standards and Training, in plain and simple language in a form specified by the department; and
(b) The terms and conditions of employment, including the method of computing the rate of compensation.

(2) Furnish to each private security provider employed by the private security entity, each time the provider receives a compensation payment from the entity, a written statement itemizing the total payment and amount and purpose of each deduction from the total payment, hours worked and rate of pay.

SECTION 9. ORS 181A.916 is amended to read:

181A.916. Any person who retains the services of [*an unlicensed private security entity*]**a private security entity that is not licensed or authorized under ORS 181A.900** shall:

(1) Be personally and jointly and severally liable to any employee as far as the employee has not been paid wages in full for the services performed or work done for that person.

(2) Be personally liable for all penalty wages that have occurred under ORS 652.150 for the wages due under this section.

SECTION 10. ORS 181A.918 is amended to read:

181A.918. The Department of Public Safety Standards and Training, or any other person, may bring an action in circuit court to enjoin any person from using the services of [*an unlicensed*]**a** private security entity **that is not licensed or authorized under ORS 181A.900** or to enjoin any person acting as a private security entity in violation of ORS 181A.840 to 181A.918, or rules promulgated pursuant thereto, from committing future violations. The court may award to the prevailing party costs and disbursements and a reasonable attorney fee. In addition, the amount of damages recoverable from a person acting as a private security entity in violation of ORS 181A.840 to 181A.918 is actual damages or $2,000, whichever amount is greater.

SECTION 11. ORS 181A.995 is amended to read:

181A.995. (1) A person commits a:

(a) Class A misdemeanor if the person knowingly falsifies any information pertinent to an application for a license or certificate under ORS 181A.840 to 181A.918.

(b) Class A violation if the person provides private security services as a private security professional without being certified to do so under ORS 181A.870 and having in the person's possession the certificate issued under ORS 181A.870.

(c) Class A violation if the person provides private security services as a private security entity without being licensed **or authorized** to do so under ORS 181A.900.

[*(d) Class A violation if the person retains the services of a private security entity without first verifying through the Department of Public Safety Standards and Training's webpage where a copy of or information pertaining to the private security entity's license may be accessed.*]

(d) Class A violation if the person retains the services of a private security entity without first verifying through the Department of Public Safety Standards and Training's webpage or other method of contact with the department that the private security entity is licensed or authorized under ORS 181A.900.

(2) In addition to any other liability or penalty provided by law, the Board on Public Safety Standards and Training may impose a civil penalty not to exceed $1,500 for a violation of any provision of ORS 181A.840 to 181A.918 or [*any*] rule adopted by the [*Board on Public Safety Standards and Training or Department of Public Safety Standards and Training*] **board or department** pursuant to ORS 181A.840 to 181A.918 **related to private security providers**.

(3) In addition to any other liability or penalty provided by law, the board may impose a civil penalty not to exceed $3,000 for a violation of any provision of ORS 181A.840 to 181A.918 or rule adopted by the board or department pursuant to ORS 181A.840 to 181A.918 related to private security entities.

[*(3)*]**(4)** In addition to any civil penalty assessed by the board, if a private security entity has two or more prior violations under subsection [*(2)*]**(3)** of this section, the board may impose license sanctions on the private security entity. The license sanctions:

(a) For a third violation may not exceed the suspension of, or refusal to reissue, a license for six months;

(b) For a fourth violation may not exceed revocation of the license for three years; or

(c) For a fifth or subsequent violation may provide for permanent revocation of the license.

[*(4)*]**(5)** Judicial review of civil penalties or license sanctions imposed under subsection [*(2) or (3)*]**(2), (3) or (4)** of this section shall be as provided under ORS 183.480.