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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 259
DEPARTMENT OF PUBLIC SAFETY STANDARDS AND TRAINING

FILED

02/27/2024 1:03 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Limits licensed executive managers who provide contracted services to 10 contracts at any one time.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 03/21/2024 1:00 AM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later.

If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

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NEED FOR THE RULE(S)

Private security executive managers have the unique authority among private security providers to contract their executive manager services to a business, employer, or entity that employs private security professionals. This means that an executive manager does not have to be directly employed by the business, employer, or entity as a private security professional or supervisory manager does. The executive manager is the person who is held responsible for the company's or business's compliance with the ORS 181A.840 to 181A.893, including the rules for private security providers found in OAR Chapter 259 Division 60.

When executive managers were first granted the authority to contract their services, there were questions on whether there should be limits to the number of businesses or entities executive managers contract with. At that time, it was determined that this was something that DPSST could monitor and address if there were issues that were identified. Recently, DPSST noted that when an executive manager has a high number of contracts there are increased private security professional certification deficiencies and compliance issues that adversely impact the private security professionals, the businesses or entities contracting with the executive manager, and the workload for DPSST staff.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

The Private Security and Investigator Policy Committee (PSIPC) and the Board on Public Safety Standards and Training (Board) meeting minutes are available on the Department of Public Safety Standards and Training (DPSST) website, www.oregon.gov/dpsst. The DPSST staff memos prepared for each entity are available by submitting a records request to DPSST.

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

These rule changes are not expected to affect racial equity in this state.

FISCAL AND ECONOMIC IMPACT:

These rule changes set a limit on the number of entities that an executive manager can contract with to provide executive manager services. The limit is established as a total of 10 businesses or entities at any one time. Setting a limit on the number of entities an executive manager can work for could impact an executive manager's business income.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

These rule changes do not have a fiscal or economic impact on the Department, the Board, other state agencies, units of local government, or the public.

Executive managers may be considered small businesses. These rule changes set a limit on the number of entities that an executive manager can contract with to provide executive manager services. The limit is established as a total of 10 businesses or entities at any one time. Setting a limit on the number of entities an executive manager can work for could impact an executive manager's business income.

There are approximately 1,000 licensed executive managers. Of the 1,000 there are approximately 50 executive managers who are employed by or contracted with more than one business or entity to provide services as an executive manager. Of those 50, fewer than 5 executive managers currently hold more than 10 contracts to provide services as an executive manager. These rule changes include an opportunity for an executive manager to petition for an exemption to the limit.

These rule changes are not expected to have a fiscal impact on a small business's reporting, recordkeeping, administrative activities, cost of professional services, equipment supplies, or labor to comply with the rule.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Potentially affected entities were involved through their representation on the Private Security and Investigator Policy Committee (PSIPC) and the Board on Public Safety Standards and Training (Board). Small businesses, as well as state agencies, units of local government, and the public are invited to submit written comments to the agency rules coordinator during the public comment period on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact on business.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

These proposed rules were reviewed by the Private Security and Investigator Policy Committee (PSIPC). After the public comment period, the proposed rule changes will be reviewed by the Board on Public Safety Standards and Training to be approved as permanent rule changes. The PSIPC and the Board include representatives of the organizations or associations that represent the private security providers who are subject to the administrative rule. The membership of the PSIPC and the Board is found in Oregon Revised Statutes (ORS) 181A.360 and 181A.375.

AMEND: 259-060-0130

RULE SUMMARY: This proposed rule change establishes a limit on the number of businesses or entities that an executive manager can perform executive manager services for. Under this rule, an executive manager would be limited to 10 businesses or entities at any one time. However, an executive manager could request an exception to the limit.

CHANGES TO RULE:

259-060-0130

Private Security Executive Manager and Supervisory Manager Licensure and Responsibilities ¶¶

- (1) All private security executive or supervisory manager applicants must complete an application in accordance with OAR 259-060-0025.¶¶
- (2) All private security executive or supervisory manager applicants must be in compliance with the minimum standards for licensure as listed in OAR 259-060-0020.¶¶
- (3) Private security executive managers are responsible for ensuring compliance of all private security providers employed by businesses or entities by which the executive manager is employed or contracted. An executive manager is authorized to perform the duties defined in OAR 259-060-0010.¶¶
- (4) Private security supervisory managers have the responsibility and authority of supervising persons providing security services. A supervisory manager is authorized to perform the duties defined in OAR 259-060-0010.¶¶
- (5) Basic training for executive and supervisory private security managers consists of successful completion of the following:¶¶
 - (a) The required basic classroom instruction, exam and assessments as defined in OAR 259-060-0120; and¶¶
 - (b) Manager course, exam and assessments.¶¶
- (6) Biennial renewal training consists of the manager course, exam and assessments.¶¶
- (7) Employing, licensed managers may issue temporary work permits to alarm monitor, unarmed, or event and entertainment private security professional and manager applicants upon verification that all application requirements have been completed.¶¶
- (8) Contracted Executive Managers. An executive manager is authorized to contract with businesses or entities to provide services as an executive manager. ~~For the purposes of this rule, a~~¶¶
 - (a) An executive manager may be employed by or contracted with up to 10 businesses or entities in total, at any time. An executive manager may petition the Department for an exception to this limit. Any exception granted by the Department will be provided in writing and is subject to the terms and conditions established by the Department.¶¶
 - (b) An executive manager who contracts with businesses or entities to provide services as an executive manager is considered an employing, licensed manager.¶¶
- (9) An executive manager is required to submit a completed Form PS-24 to the Department within 48 hours of beginning employment or a contract and to provide changes of information as described in OAR 259-060-0015.¶¶
- (10) A licensed manager who performs private security services must complete the full training required for that classification and be certified.¶¶
- (11) Failure to complete any training requirements as prescribed by this rule may result in denial or revocation of private security certification or licensure as prescribed in OAR 259-060-0300, OAR 259-060-0310 and OAR 259-060-0320, and civil penalties as prescribed in OAR 259-060-0450.

Statutory/Other Authority: ORS 181A.870

Statutes/Other Implemented: ORS 181A.870