

Chapter 763

(Senate Bill 760)

AN ACT concerning

**Security Guard Agencies, Security Guard Employers, and Security Guards –
Standards and Certifications**

FOR the purpose of requiring an individual who provides security guard services to the individual's employer to be certified as a security guard, subject to a certain exception; regulating certain security guard employers; altering the certification and renewal standards for security guards; requiring the Maryland Police Training and Standards Commission to identify or establish certain training programs for the certification of security guards; requiring security guards to complete certain security training programs; and generally relating to the regulation of security guard agencies, security guard employers, and security guards.

BY repealing and reenacting, with amendments,

Article – Business Occupations and Professions

Section 19–101, 19–401, 19–402, 19–404.1, 19–407, 19–408, and 19–504

Annotated Code of Maryland

(2018 Replacement Volume and 2022 Supplement)

BY adding to

Article – Business Occupations and Professions

Section 19–412 through 19–414

Annotated Code of Maryland

(2018 Replacement Volume and 2022 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Business Occupations and Professions

19–101.

(a) In this title the following words have the meanings indicated.

(b) “Central Repository” means the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services.

(c) “Certification card” means a card issued by the Secretary under § 19–405 of this title to an individual certified as a security guard.

(d) “Firm” means a partnership or corporation.

(e) “Firm member” means a partner of a partnership or an officer or director of a corporation.

(f) “License” means, unless the context requires otherwise, a license issued by the Secretary to conduct a business to provide security guard services.

(g) “Licensed security guard agency” means a person who is licensed by the Secretary to conduct a business that provides security guard services.

(h) **“POLICE OFFICER” HAS THE MEANING STATED IN § 2-101 OF THE CRIMINAL PROCEDURE ARTICLE.**

(I) “Representative member” means a firm member who is appointed under § 19-302(b) of this title to act on behalf of the firm.

[(i)] (J) “Secretary”, unless the context requires otherwise, means the Secretary of State Police.

[(j)] (K) “Security guard” means an individual who [provides security guard services to any person on behalf of a security guard agency], regardless of whether the individual is described as a security guard, watchman, or private patrolman or by other title:

(1) (I) IS AN EMPLOYEE OF A SECURITY GUARD AGENCY; AND

(II) PROVIDES SECURITY GUARD SERVICES TO ANOTHER PERSON ON BEHALF OF THE SECURITY GUARD AGENCY; OR

(2) (I) IS AN EMPLOYEE OF A SECURITY GUARD EMPLOYER; AND

(II) PROVIDES SECURITY GUARD SERVICES TO THE SECURITY GUARD EMPLOYER.

[(k)] (L) (1) “Security guard agency” means a person who conducts a business that provides security guard services.

(2) “Security guard agency” does not include:

(I) a person that is primarily engaged in the business of owning, maintaining, or otherwise managing property; OR

(II) A SECURITY GUARD EMPLOYER.

(M) (1) “SECURITY GUARD EMPLOYER” MEANS A PERSON WHO EMPLOYS SECURITY GUARDS ONLY TO PROVIDE SECURITY GUARD SERVICES TO THE PERSON.

(2) “SECURITY GUARD EMPLOYER” DOES NOT INCLUDE A SECURITY GUARD AGENCY.

[(1)] (N) “Security guard services” includes any activity that is performed for compensation as a security guard to protect any individual or property, except the activities of an individual while performing as:

(1) a marine guard or ship watchman, regardless of whether the guard or watchman is stationed aboard a ship or on a pier; ~~or~~

(2) a special police officer appointed and while performing under Title 3, Subtitle 3 of the Public Safety Article or § 16–16 of the Code of Public Local Laws of Baltimore City; OR

(3) AN UNARMED EMPLOYEE OF A BAR, TAVERN, OR RESTAURANT.

19–401.

(a) Except as provided under subsection (b) of this section, a licensed security guard agency may provide an individual for hire as a security guard only if the individual is certified by the Secretary as a security guard.

(b) A licensed security guard agency may provide an uncertified individual for hire as a security guard if:

(1) (i) the security guard agency has submitted to the Secretary the application of the individual for certification as a security guard, fingerprint cards, and records fee as required under § 19–402(b) of this subtitle; and

(ii) the Secretary has not disapproved the application; or

(2) the individual has obtained and currently possesses certification by the Maryland Police Training and Standards Commission as a police officer.

(C) EXCEPT AS PROVIDED UNDER SUBSECTION (D) OF THIS SECTION, A SECURITY GUARD EMPLOYER MAY EMPLOY A SECURITY GUARD TO PROVIDE SECURITY GUARD SERVICES ONLY IF THE INDIVIDUAL IS CERTIFIED BY THE SECRETARY AS A SECURITY GUARD.

(D) A SECURITY GUARD EMPLOYER MAY EMPLOY AN UNCERTIFIED SECURITY GUARD TO PROVIDE SECURITY GUARD SERVICES FOR THE SECURITY GUARD EMPLOYER IF:

(1) (I) THE SECURITY GUARD EMPLOYER HAS SUBMITTED TO THE SECRETARY THE APPLICATION OF THE INDIVIDUAL FOR CERTIFICATION AS A SECURITY GUARD, FINGERPRINT CARDS, AND RECORDS FEE AS REQUIRED UNDER § 19-402(B) OF THIS SUBTITLE; AND

(II) THE SECRETARY HAS NOT DISAPPROVED THE APPLICATION; OR

(2) THE INDIVIDUAL HAS OBTAINED AND CURRENTLY POSSESSES CERTIFICATION BY THE MARYLAND POLICE TRAINING AND STANDARDS COMMISSION AS A POLICE OFFICER.

(E) THIS SUBTITLE DOES NOT PROHIBIT A SECURITY GUARD EMPLOYER FROM HIRING SECURITY GUARDS FROM A LICENSED SECURITY GUARD AGENCY.

19-402.

(a) To qualify for certification as a security guard, an individual shall:

(1) meet the standards set by the Secretary;

(2) be an employee of or an applicant for employment with a licensed security guard agency **OR A SECURITY GUARD EMPLOYER;**

(3) be of good moral character and reputation;

(4) submit to the licensed security guard agency **OR THE SECURITY GUARD EMPLOYER,** for forwarding to the Secretary:

(i) a sworn application on the form the Secretary provides;

(ii) the fingerprints required under § 19-304(c) of this title; [and]

(iii) a nonrefundable application fee of \$15; [and]

(IV) A DECLARATION UNDER THE PENALTIES OF PERJURY STATING WHETHER:

1. THE INDIVIDUAL HAS BEEN CONVICTED OF:

A. A DISQUALIFYING CRIME, UNDER § 5-101 OF THE PUBLIC SAFETY ARTICLE; OR

B. A CRIME OF VIOLENCE, UNDER § 14-101 OF THE CRIMINAL LAW ARTICLE;

2. IF CURRENTLY OR FORMERLY EMPLOYED AS A POLICE OFFICER, THE INDIVIDUAL HAS HAD ANY FORMAL FINDINGS BY A COURT, HEARING BOARD, OR OTHER GOVERNMENTAL ENTITY OF UNLAWFUL OR EXCESSIVE USE OF FORCE OR OF MAKING A FALSE STATEMENT DURING THE INDIVIDUAL'S EMPLOYMENT WITH THE LAW ENFORCEMENT AGENCY; AND

3. THE INDIVIDUAL PLANS TO CARRY A HANDGUN IN THE COURSE OF PROVIDING SECURITY GUARD SERVICES; AND

~~**(V) A COPY OF THE INDIVIDUAL'S PERMIT TO CARRY A HANDGUN UNDER TITLE 5, SUBTITLE 3 OF THE PUBLIC SAFETY ARTICLE IF THE INDIVIDUAL INDICATES THAT THE INDIVIDUAL PLANS TO CARRY A HANDGUN IN THE COURSE OF PROVIDING SECURITY GUARD SERVICES; AND**~~

~~**(VI)**~~ **DOCUMENTATION THAT THE INDIVIDUAL HAS EITHER:**

1. SATISFACTORILY COMPLETED 12 HOURS OF INITIAL SECURITY TRAINING THAT IS APPROVED BY THE MARYLAND POLICE TRAINING AND STANDARDS COMMISSION UNDER § 19-412 OF THIS SUBTITLE; OR

2. BEEN EMPLOYED AS A POLICE OFFICER IN THE 3 YEARS IMMEDIATELY PRECEDING THE APPLICATION;

(5) pay to the licensed security guard agency OR THE SECURITY GUARD EMPLOYER, for forwarding to the Secretary, the fees authorized under § 19-304(c) of this title; AND

(6) BE AT LEAST 18 YEARS OLD.

(b) On receipt from an applicant for certification as a security guard, a licensed security guard agency OR SECURITY GUARD EMPLOYER shall forward to the Secretary the applicant's application form, fingerprint cards, and criminal history records check fees.

(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AN APPLICANT FOR CERTIFICATION AS A SECURITY GUARD SHALL COMPLETE 12 HOURS OF INITIAL SECURITY TRAINING THAT IS APPROVED BY THE MARYLAND POLICE TRAINING AND STANDARDS COMMISSION UNDER § 19-412 OF THIS SUBTITLE.

(2) AN APPLICANT FOR CERTIFICATION MAY NOT BE REQUIRED TO COMPLETE THE TRAINING SPECIFIED IN PARAGRAPH (1) OF THIS SUBSECTION IF THE APPLICANT:

(I) HAS BEEN EMPLOYED AS A POLICE OFFICER IN THE 3 YEARS IMMEDIATELY PRECEDING THE APPLICATION; AND

(II) PROVIDES SUPPORTING DOCUMENTATION WITH THE APPLICATION FOR CERTIFICATION AS A SECURITY GUARD IN ACCORDANCE WITH SUBSECTION ~~(A)(4)(VI)2~~ (A)(4)(V)2 OF THIS SECTION.

19-404.1.

(a) By regulation, the Secretary shall stagger the terms of the certifications.

(b) Unless a certification is renewed for a 3-year term as provided in this section, the certification expires on the date the Secretary sets.

(c) At least 90 days before a certification expires, the applicant shall mail to the Secretary:

(1) a renewal application form;

(2) the amount of the renewal fee; and

(3) the amount of any late fee, as determined by the Secretary.

(d) An individual periodically may renew the certification for an additional 3-year term, if the individual:

(1) otherwise is entitled to be certified;

(2) pays to the Secretary:

(i) a renewal fee of \$10;

(ii) payment for the cost of a fingerprint card record check by the Federal Bureau of Investigation; and

(iii) any late fee required under this subtitle; [and]

(3) (I) SATISFACTORILY COMPLETES ~~10~~ 8 HOURS OF CONTINUING SECURITY TRAINING THAT IS APPROVED BY THE MARYLAND POLICE TRAINING AND STANDARDS COMMISSION UNDER § 19-412 OF THIS SUBTITLE; AND

(II) SUBMITS TO THE SECRETARY SUPPORTING DOCUMENTATION THAT DEMONSTRATES COMPLETION OF THE TRAINING; AND

(4) submits to the Secretary a renewal application on the form that the Secretary provides.

(e) (1) Subject to paragraph (2) of this subsection, if a complete application for renewal of certification as required under this subtitle is not received by the Secretary on or before the first business day of the next calendar month immediately following the renewal date, the Secretary shall assess a late fee of \$5 per day until the application is received by the Secretary.

(2) (i) The Secretary may not charge a late fee under paragraph (1) of this subsection if the applicant did not make timely renewal because of incapacity, hospitalization, being called to active military duty, or other hardship.

(ii) The total amount of late fees assessed against an applicant under this subsection may not exceed \$150.

(3) The Secretary may not certify any applicant under this subtitle if the applicant has outstanding late fee obligations.

(f) (1) The Secretary shall renew the certification of each individual who meets the requirements of this section.

(2) Within 5 days after the Secretary refuses to renew the certification of an individual as a security guard, the Secretary shall send written notice of the refusal to the individual who submitted the renewal application.

(G) AT LEAST 90 DAYS BEFORE A CERTIFICATION EXPIRES, THE LICENSED SECURITY GUARD AGENCY OR SECURITY GUARD EMPLOYER SHALL SUBMIT A DECLARATION TO THE SECRETARY UNDER THE PENALTIES OF PERJURY STATING WHETHER IT KNOWS ~~OR HAS REASON TO KNOW~~ THAT A CERTIFIED SECURITY GUARD WHO PROVIDES SECURITY GUARD SERVICES ON THE SECURITY GUARD AGENCY'S BEHALF OR FOR THE SECURITY GUARD EMPLOYER NO LONGER SATISFIES ALL OF THE CRITERIA FOR CERTIFICATION UNDER § 19-402 OF THIS SUBTITLE.

19-407.

(a) Whenever a security guard is in uniform, the security guard may wear a badge that is:

(1) of a design approved by the Secretary; and

(2) issued by the licensed security guard agency **OR THE SECURITY GUARD EMPLOYER** that employs the security guard.

(b) Whenever a security guard is in uniform, the security guard shall clearly display and wear the clearance card issued by the Secretary which identifies the security guard.

19-408.

(A) Subject to the hearing provisions of § 19-410 of this subtitle, the Secretary may deny certification as a security guard to any applicant, reprimand or fine any individual certified as a security guard, or suspend, revoke, or refuse to renew the certification of an individual:

(1) for any applicable ground under § 19-313 of this title;

(2) if the applicant or individual fraudulently or deceptively obtains or attempts to obtain certification as a security guard for the applicant or individual or for another;

(3) if the applicant or individual fails to maintain the standards set by the Secretary for certification as a security guard; or

(4) if, under the laws of the United States or of any state, the applicant or individual pleads guilty or nolo contendere to or is convicted of:

(i) a felony; or

(ii) a misdemeanor that is directly related to the fitness and qualification of the applicant or individual to be certified as a security guard.

(B) SUBJECT TO THE HEARING PROVISIONS OF § 19-410 OF THIS SUBTITLE, THE SECRETARY SHALL DENY, REVOKE, OR REFUSE TO RENEW THE CERTIFICATION OF A SECURITY GUARD WHO:

(1) HAS BEEN CONVICTED OF:

(I) A DISQUALIFYING CRIME UNDER § 5-101 OF THE PUBLIC SAFETY ARTICLE; OR

(II) A CRIME OF VIOLENCE UNDER § 14-101 OF THE CRIMINAL LAW ARTICLE;

(2) HAS HAD ANY FORMAL FINDINGS BY A COURT, HEARING BOARD, THE SECRETARY, OR OTHER GOVERNMENTAL ENTITY OF:

(I) UNLAWFUL OR EXCESSIVE USE OF FORCE; OR ~~OF~~

(II) MAKING A FALSE STATEMENT DURING THE SECURITY GUARD'S EMPLOYMENT AS A POLICE OFFICER WITH A LAW ENFORCEMENT AGENCY; OR

(3) HAS NOT SATISFACTORILY COMPLETED THE REQUIRED CONTINUING SECURITY TRAINING UNDER § 19-404.1 OF THIS SUBTITLE.

(C) (1) A LICENSED SECURITY GUARD AGENCY OR SECURITY GUARD EMPLOYER SHALL NOTIFY THE SECRETARY WITHIN 48 HOURS IF IT KNOWS ~~OR HAS REASON TO KNOW~~ THAT AN INDIVIDUAL WHO PROVIDES SECURITY GUARD SERVICES ON ITS BEHALF OR FOR IT HAS BEEN ARRESTED FOR A CRIME OF VIOLENCE UNDER § 14-101 OF THE CRIMINAL LAW ARTICLE OR A DISQUALIFYING CRIME UNDER § 5-101 OF THE PUBLIC SAFETY ARTICLE.

(2) SUBJECT TO § 10-226(c)(2) OF THE STATE GOVERNMENT ARTICLE, THE SECRETARY MAY IMPOSE AN EMERGENCY SUSPENSION OF THE CERTIFICATION OF A SECURITY GUARD WHO HAS BEEN ARRESTED FOR AN OFFENSE UNDER PARAGRAPH (1) OF THIS SUBSECTION.

19-412.

(A) THE MARYLAND POLICE TRAINING AND STANDARDS COMMISSION SHALL IDENTIFY INITIAL AND CONTINUING TRAINING PROGRAMS FOR SECURITY GUARD CERTIFICATION AND RENEWAL OF CERTIFICATION, AS REQUIRED IN §§ 19-402 AND 19-404.1 OF THIS SUBTITLE.

(B) THE TRAINING PROGRAMS UNDER SUBSECTION (A) OF THIS SECTION SHALL INCLUDE TRAINING ON THE FOLLOWING:

- (1) RELEVANT CRIMINAL LAW;**
- (2) THE APPROPRIATE USE OF FORCE;**
- (3) THE USE OF ALTERNATIVES TO FORCE;**
- (4) THE USE OF DE-ESCALATION TECHNIQUES; AND**
- (5) PROMOTING APPROPRIATE INTERACTIONS WITH INDIVIDUALS**

WHO:

- (I) ARE UNDER 18 YEARS OF AGE;**
- (II) HAVE BEHAVIORAL HEALTH OR OTHER DISABILITIES; OR**

(III) ARE IN CRISIS.

(C) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE TRAINING PROGRAMS IDENTIFIED BY THE MARYLAND POLICE TRAINING AND STANDARDS COMMISSION UNDER SUBSECTION (A) OF THIS SECTION SHALL SATISFY THE FOLLOWING TRAINING REQUIREMENTS:

(1) THE 12-HOUR INITIAL TRAINING REQUIREMENT UNDER § 19-402 OF THIS SUBTITLE; AND

(2) THE ~~10-HOUR~~ 8-HOUR CONTINUING SECURITY TRAINING UNDER § 19-404.1 OF THIS SUBTITLE.

(D) IF THE MARYLAND POLICE TRAINING AND STANDARDS COMMISSION IS UNABLE TO IDENTIFY AN INITIAL OR CONTINUING TRAINING PROGRAM UNDER SUBSECTION (A) OF THIS SECTION, THE COMMISSION SHALL ESTABLISH AN INITIAL OR CONTINUING TRAINING PROGRAM THAT MEETS THE REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION.

(E) THE MARYLAND POLICE TRAINING AND STANDARDS COMMISSION SHALL PROMINENTLY PUBLISH THE LIST OF THE PROGRAMS IDENTIFIED UNDER SUBSECTION (A) OF THIS SECTION OR ESTABLISHED BY THE COMMISSION UNDER SUBSECTION (D) OF THIS SECTION ON THE COMMISSION'S WEBSITE.

19-413.

(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, A SECURITY GUARD MUST HOLD A VALID PERMIT TO CARRY A HANDGUN UNDER TITLE 5, SUBTITLE 3 OF THE PUBLIC SAFETY ARTICLE BEFORE CARRYING A HANDGUN WHILE PROVIDING SECURITY GUARD SERVICES.

(B) A SECURITY GUARD MAY NOT CARRY A HANDGUN WHILE PROVIDING SECURITY GUARD SERVICES UNTIL:

(1) RECEIVING APPROVAL TO CARRY A HANDGUN FROM THE LICENSED SECURITY GUARD AGENCY OR SECURITY GUARD EMPLOYER;

(2) NOTIFYING THE SECRETARY OF THE INTENT OF THE SECURITY GUARD TO CARRY A HANDGUN WHILE PROVIDING SECURITY GUARD SERVICES; AND

(3) THE SECRETARY CONFIRMS THAT THE SECURITY GUARD HAS A VALID PERMIT TO CARRY A HANDGUN UNDER TITLE 5, SUBTITLE 3 OF THE PUBLIC

SAFETY ARTICLE AND HAS NOT BEEN CONVICTED OF A DISQUALIFYING CRIME UNDER § 5-101 OF THE PUBLIC SAFETY ARTICLE.

19-414.

(A) (1) IN THIS SECTION, “USE OF FORCE” MEANS:

(I) ANY PHYSICAL STRIKING OF AN INDIVIDUAL;

(II) ANY SIGNIFICANT PHYSICAL CONTACT THAT RESTRICTS THE MOVEMENT OF AN INDIVIDUAL, INCLUDING CONTROL TECHNIQUES; OR

(III) THE DETAINMENT OF AN INDIVIDUAL WITHOUT THE INDIVIDUAL’S CONSENT.

(2) “USE OF FORCE” INCLUDES:

(I) THE DISCHARGE OF A FIREARM;

(II) THE DISCHARGE OF PEPPER MACE, AS DEFINED IN § 4-101 OF THE CRIMINAL LAW ARTICLE; AND

(III) THE USE OF AN ELECTRONIC CONTROL DEVICE, AS DEFINED IN § 4-109 OF THE CRIMINAL LAW ARTICLE.

(3) “USE OF FORCE” DOES NOT INCLUDE MERE PRESENCE, VERBAL COMMANDS, OR ESCORTING AN INDIVIDUAL WITH MINIMAL RESISTANCE.

(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A SECURITY GUARD SHALL REPORT ANY USE OF FORCE AGAINST A PERSON WHILE PROVIDING SECURITY GUARD SERVICES ON BEHALF OF THE LICENSED SECURITY GUARD AGENCY OR FOR THE SECURITY GUARD EMPLOYER ~~BY THE END OF THE SHIFT OF THE SECURITY GUARD~~ TO THE SECURITY GUARD AGENCY OR THE SECURITY GUARD EMPLOYER WITHIN 48 HOURS AFTER THE USE OF FORCE ON A FORM PROVIDED BY THE SECRETARY.

(2) A SECURITY GUARD IS NOT REQUIRED TO REPORT ANY USE OF FORCE AGAINST A PERSON ~~BY THE END OF THE SHIFT OF THE SECURITY GUARD~~ WITHIN 48 HOURS AFTER THE USE OF FORCE IF THE SECURITY GUARD IS SERIOUSLY INJURED OR DISABLED.

~~(B)~~ (C) (1) A LICENSED SECURITY GUARD AGENCY OR SECURITY GUARD EMPLOYER SHALL, IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION, REPORT ANY USE OF FORCE BY A SECURITY GUARD WHILE PROVIDING

SECURITY GUARD SERVICES ON ITS BEHALF OR FOR IT TO THE SECRETARY WITHIN 48 HOURS AFTER RECEIVING THE FORM COMPLETED UNDER SUBSECTION (B)(1) OF THIS SECTION.

(2) THE USE OF FORCE REPORT UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE:

(I) THE TYPE OF ENCOUNTER;

(II) THE TYPE OF FORCE USED;

(III) THE LOCATION OF THE INCIDENT WHERE FORCE WAS USED;

(IV) WHETHER THE INDIVIDUAL AGAINST WHOM FORCE WAS USED WAS ARRESTED AND, IF KNOWN, WHAT CHARGES THE INDIVIDUAL RECEIVED;

(V) WHETHER THE INDIVIDUAL AGAINST WHOM FORCE WAS USED REQUESTED OR REQUIRED MEDICAL CARE;

(VI) WHETHER THE SECURITY GUARD REQUESTED OR REQUIRED MEDICAL CARE; ~~AND~~

(VII) DEMOGRAPHIC INFORMATION ABOUT ANY INDIVIDUALS AGAINST WHOM FORCE WAS USED AND ANY SECURITY GUARD INVOLVED IN THE INCIDENT, INCLUDING RACE, ETHNICITY, GENDER, AND AGE; AND

(VIII) THE FORM COMPLETED UNDER SUBSECTION (B)(1) OF THIS SECTION.

19-504.

(a) (1) A security guard agency OR SECURITY GUARD EMPLOYER that employs five or more individuals as security guards shall:

[(1)] (I) maintain commercial general liability insurance, including errors and omissions and completed operations with a \$1,000,000 total aggregate minimum; and

[(2)] (II) submit proof of the required insurance to the Secretary.

(2) A SECURITY GUARD AGENCY OR SECURITY GUARD EMPLOYER THAT EMPLOYS FEWER THAN FIVE INDIVIDUALS AS SECURITY GUARDS SHALL:

(I) MAINTAIN COMMERCIAL GENERAL LIABILITY INSURANCE, INCLUDING ERRORS AND OMISSIONS AND COMPLETED OPERATIONS WITH A \$500,000 TOTAL AGGREGATE MINIMUM; AND

(II) SUBMIT PROOF OF THE REQUIRED INSURANCE TO THE SECRETARY.

(b) (1) If an applicant for a license **OR A SECURITY GUARD EMPLOYER** intends to employ [five] **ONE** or more individuals as security guards, the applicant shall submit proof of the liability insurance required under subsection (a) of this section to the Secretary with the license application.

(2) **(I)** The Secretary may not issue a license to an applicant to whom the insurance requirements of this section would apply unless the applicant submits proof of the insurance.

(II) THE SECRETARY MAY NOT AUTHORIZE THE CERTIFICATION OF A SECURITY GUARD FOR A SECURITY GUARD EMPLOYER UNLESS THE SECURITY GUARD EMPLOYER SUBMITS PROOF OF APPLICABLE INSURANCE UNDER SUBSECTION (A) OF THIS SECTION.

(c) If the insurance required for a security guard agency **OR SECURITY GUARD EMPLOYER** under this section is canceled, forfeited, or otherwise terminated, both the security guard agency **OR THE SECURITY GUARD EMPLOYER** and the insurer shall notify the Secretary.

(d) If a security guard agency fails to maintain the liability insurance required under this section, the license of the security guard agency:

(1) is suspended automatically;

(2) shall remain suspended until the agency complies with the requirements; and

(3) may not be reinstated until the agency submits proof of the required insurance to the Secretary.

(E) IF A SECURITY GUARD EMPLOYER FAILS TO MAINTAIN THE LIABILITY INSURANCE REQUIRED UNDER THIS SECTION, THE SECRETARY MAY PROHIBIT A SECURITY GUARD EMPLOYER FROM EMPLOYING A CERTIFIED SECURITY GUARD UNTIL THE SECURITY GUARD EMPLOYER:

(1) COMPLIES WITH THE APPLICABLE INSURANCE REQUIREMENTS UNDER SUBSECTION (A) OF THIS SECTION; AND

(2) SUBMITS PROOF OF THE REQUIRED INSURANCE TO THE SECRETARY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2024.

Approved by the Governor, May 16, 2023.