

Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 1203 (Smallwood-Cuevas) – As Amended May 19, 2026

Policy Committee:	Business and Professions	Vote:	11 - 4
	Labor and Employment		5 - 2
	Public Safety		5 - 2

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill requires annual de-escalation training and workers' rights training for proprietary private security officers and private security guards. The bill also convenes the Industrial Welfare Commission (IWC) to set a minimum wage for the "property services" industry.

Among its provisions, this bill:

- 1) Prohibits a private patrol operator (PPO) from providing required de-escalation training and instead requires an organization that employs evidence-based, trauma-informed techniques and strategies to provide it.
- 2) Requires, beginning July 1, 2028, each registered employee, in addition to any annual required training, to annually complete a minimum of eight hours of training dedicated to practicing de-escalation skills through in-person role-plays and interactive training methods administered by an approved organization, as specified.
- 3) Requires the cost of the training be provided by the employer, and training time be compensated by the PPO if the guard is employed by, or has a pending offer of employment from, the PPO.
- 4) Requires BSIS to develop emergency regulations establishing the criteria the bureau must use to evaluate whether any organization is a qualifying organization, and requires any organization qualified to provide training be identified by July 1, 2028.
- 5) Requires an organization seeking approval to offer de-escalation training to complete an application for certification, as specified, and submit a \$250 application fee. Requires BSIS to develop and establish by emergency regulation a standard course and curriculum for the de-escalation training.
- 6) Requires, effective July 1, 2028, two of the first 18 hours of the annual 42 hours of training be dedicated to training employees on the notice of employee rights given to current employees regarding topics such as workers' compensation, the right to organize, and immigration-related rights.
- 7) Provides, upon request, a labor organization that represents security guards of a licensee and is approved by the bureau to be a trainer is entitled to provide the two-hour training on the

notice of employee rights. Absent such request, this two-hour training may be provided by other entities, as specified.

- 8) Requires, by July 1, 2027, the Department of Industrial Relations, IWC to set a minimum wage for the property services industry, which includes employers who hire personnel registered as proprietary private security officers or security officers.

FISCAL EFFECT:

- 1) BSIS anticipates significant ongoing costs in the low millions of dollars annually for the expansion of its responsibilities (Private Security Services Fund). BSIS indicates the specific need for additional positions and IT support to accommodate new de-escalation and employee rights training responsibilities, meet new data reporting requirements, develop emergency regulation packages, create new categories of regulated entities, and handle an increased enforcement caseload, including referral of additional complaints to the Attorney General. BSIS indicates it may not be able to complete mandated regulations and hire new staff by the bill's July 1, 2028, delayed implementation date.

BSIS also notes it recently increased all fees to their statutory maximums and would need to raise its fees through statute to comply with this bill. As a special fund agency, BSIS receives no General Fund support, relying solely on fees set by statute and collected through licensing and renewal fees.

- 2) Unknown, potentially significant fiscal impact, likely ranging from the high hundreds of thousands to low millions of dollars for the Industrial Welfare Commission (Commission) to convene and issue a wage order for the property services industry. The Commission has remained non-operational since 2004. Although the Budget Act of 2023 initially allocated \$3 million to restart the Commission, this funding was subsequently repealed. To the extent the Commission requires resources comparable to those proposed in 2023, General Fund costs may range into the millions of dollars.

COMMENTS:

- 1) **Purpose.** According to the author:

Communities increasingly rely on security guards as essential workers, and the scope of their work has significantly expanded. However, their wages, working conditions, and training standards have not kept pace with the importance of their role or the risks of the profession. SB 1203 improves working conditions for security guards by ensuring they are adequately trained and fairly compensated for their responsibilities.

- 2) **Background. Training.** Existing law establishes BSIS within DCA to license and regulate the private security industry, private investigators, locksmiths, repossessioners, and alarm companies. BSIS administers and enforces six practice acts, including the Proprietary Security Services Act and the Private Security Services Act, which provides for the registration and regulation of, among others, proprietary private security officers and private security guards.

Under the Private Security Services Act, a security guard applicant must complete a comprehensive 40-hour training program, including an initial eight-hour course in the exercise of powers to arrest and the appropriate use of force required for registration, followed by an additional 32 hours of skills training within the first six months of obtaining a BSIS registration. In addition, security guards must complete eight hours of continuing education annually.

To administer this training, schools and organizations must obtain approval from BSIS by submitting a request that includes the name of the organization or school, facility locations, location where training records will be maintained, and instructor names and resumes. While Private Patrol Operators (PPOs) may train their own employees without separate bureau approval, they must maintain verified training records for all registrants at their principal place of business for the duration of employment. All PPO training records remain subject to BSIS inspection to ensure compliance.

AB 229 (Holden), Chapter 697, Statutes of 2021, and adoption of subsequent regulations in 2023, requires at least 50% of use-of-force training must be conducted through traditional classroom instruction.

This bill makes numerous changes to the Proprietary Security Services Act and the Private Security Services Act regarding training requirements and increases the fine amounts for training violations, including violations of record keeping requirements. This bill also makes changes to incident reporting requirements.

IWC. The IWC was established in 1913 to regulate wages, hours and working conditions in California. The IWC has issued 17 wage orders over the years covering various industries to establish minimum wage and other protections for employees. These wage orders are enforced by the Labor Commissioner. Today, the IWC does not operate and has no funding.

This bill requires the IWC to convene by July 1, 2027, and to issue a wage order specific to proprietary private security officers and security officers by June 30, 2028, as specified.

- 3) **Support and Opposition.** This bill is sponsored by SEIU California and supported by the California Federation of Labor Unions, AFL-CIO, who assert security officers are being asked to perform their duties without proper training, support, or compensation necessary to safely do their jobs. They state this bill will improve overall working conditions, and wages, and ensure delivery of adequate training standards across the state.

This bill is opposed by the California Association of Licensed Security Agencies, Guards & Associates (CALSAGA) and a long list of private security companies. CALSAGA asserts this bill will result in unintended consequences, “including not furthering the interests of enhancing public safety, serving as a significant bar to employment, and resulting in additional costs to both private and public sector employers in excess of one billion dollars.” According to Allied Universal, a security services company:

Requiring third-party organizations that lack specific expertise in providing comprehensive security officer training is costly and unnecessary. This requirement will create a massive recruitment and hiring bottleneck. By complicating the hiring process and restricting on-the-job training capabilities, the bill will drive prospective guards

to seek work elsewhere, directly exacerbating the current shortage of security officers. In addition to the very real operational challenges, this bill will create an excessive financial burden on private security employers.

- 4) **Related Legislation.** SB 1148 (Niello), of this legislative session, allows a security guard or a proprietary private security officer who has completed a course in the exercise of the power to arrest and the appropriate use of force to complete their training in security officer skills before initial registration is issued by BSIS. SB 1148 is pending in this committee.
- 5) **Prior Legislation.** AB 1228 (Holden) Chapter 262, Statutes of 2024 required, among other things, the establishment of the Fast Food Council to establish an hourly minimum wage for fast food restaurant employees.

Analysis Prepared by: Jennifer Swenson / APPR. / (916) 319-2081