

SENATE THIRD READING
SB 1203 (Smallwood-Cuevas)
As Amended August 17, 2026
Majority vote

SUMMARY

Requires additional training for proprietary private security officers (PSO) and private security guards specific to deescalation and employee rights; increases reporting requirements and fines for specified violations of law; and requires the Industrial Welfare Commission (IWC) to issue a specific wage order for the security services industry, among other provisions.

Major Provisions

- 1) Codify Bureau of Security and Investigative Services (BSIS) regulations requiring PSOs to complete power to arrest and appropriate use of force training as a condition of registration and requiring course providers to issue a certificate of completion to the person upon satisfactory completion of each training.
- 2) Require security skills training to be conducted through traditional classroom instruction, as defined, except as specified.
- 3) Require employers to compensate PSOs and security guards for the time it takes to complete security skills training and to pay for the training.
- 4) Prohibit PSOs and security guards from completing security skills training while on duty at their post.
- 5) Require security PSOs and security guards to complete two hours of training on labor rights within 30 days of registration with the Bureau. A labor organization that is approved by the Bureau may provide the training, upon request.
- 6) Add eight hours of deescalation training to the security skills training that PSOs and security guards must complete within six months of registration with the Bureau, or within six months of employment.
- 7) Require PSOs and security guards to annually complete an additional eight hours of training for a total of 16 hours and requires that a minimum of eight hours of training be dedicated to practicing deescalation skills, as specified.
- 8) Revise numerous fines.
- 9) Require PSE's and PPOs to report physical altercations that result in a security guard requiring first aid or other medical attention.
- 10) Require the IWC to issue a wage order specific to employees employed in the property services industry by October 1, 2028, and meet every two years to evaluate the adequacy of the minimum wage.
- 11) Except as otherwise specified, delay implementation until July 1, 2028.

COMMENTS

Security Guard Workforce. According to an April 2026 factsheet on the demographic and job characteristics of the security guard workforce in California by the UC Berkeley Labor Center, the security guard workforce is predominantly male and relatively young, with a median age of 35, although nearly 20% are over the age of 55. A majority of employees are people of color, and foreign-born workers account for roughly one-fifth of the workforce. The majority have some education beyond high school. Nearly four in five security guards work full-time. Similarly, about four in five security guards earn below the MIT Living Wage for their region. In 2024, the security services sector in California had a turnover rate of 91.6 percent compared to 95.1 percent in 2019 and 82.5 percent in 2014.

BSIS. The BSIS licenses and regulates the alarm, locksmith, private investigator, private security services, and repossession industries by administering and enforcing six practice acts, including the Proprietary Security Services Act, which regulates PSEs and PSOs. A PSE is a person who employs PSOs. They cannot subcontract their security services. PSOs are employees of a PSE who must wear a distinctive uniform that clearly identifies them as security officers and are likely to interact with the public in the course of their duties. They cannot provide security services for any other entity or person, and they are not authorized to carry a firearm, nor any other weapon, such as a baton, chemical weapons, or stun guns. The Bureau also regulates PPOs and security guards through the Private Security Services Act. A PPO is a company that protects people or property or prevents theft. Security guards are employed by licensed PPOs or PSEs and contracted out to protect people or property or prevent theft. A security guard is not authorized to contract themselves out for private security services unless they also hold a PPO license. There are significantly more PPOs and security guards than PSE and PSO. Security guards make up most of the Bureau's licensee population. Private security is one of the largest regulated professions in California; licensing data from Fiscal Year (FY) 2023-24 indicates that the number of security guards is second only to that of registered nurses. In FY 2023-24, there were more than 310,000 active registered security guards and more than 7,800 PSOs. That year, the Bureau's total licensee population grew more than 20 percent.

Training. Before registering as a PSO or security guard, an applicant must complete an eight-hour course on the exercise of powers to arrest and the appropriate use of force. Once registered, they must complete an additional 32 hours of security skills training within six months. They must complete 16 hours within 30 days. These trainings cover a wide range of important topics, such as the legal standards for use of force, deescalation tactics, implicit and explicit bias, active shooter situations, trespass law, criminal liability, and much more. The training may be provided by an employer to its own applicants and employees, a BSIS-certified training facility, or a BSIS-approved organization or school. Consistent with Bureau regulations and an existing statutory requirement for security guards, this bill would require PSOs to complete power-to-arrest and appropriate use-of-force training prior to registering with the BSIS.

Additionally, this bill would require an additional eight hours of in-person deescalation training to be completed within six months of registration. The BSIS would be required to establish a standard course and curriculum for the training. This bill would also require PSOs and security guards to complete two hours of labor-rights training within 30 days of registration, which a BSIS-approved union may provide upon request. Moreover, this bill would require security skills training to be conducted through traditional classroom instruction, meaning the instructor must be physically present with students in the classroom for at least 50 percent of the course, and it

would prohibit completing this training while a guard is on duty. Lastly, the employer must pay for the training and compensate employees and applicants with a pending offer of employment for the time required to complete the training.

In addition to initial training, PSOs and security guards must complete eight hours of training annually. This bill would double that requirement by mandating an additional eight hours of deescalation training each year. This bill would also require employers to compensate employees and applicants with a pending offer of employment for the time required to complete the training.

Violations and Fines. Currently, a PSE's or PPO's failure to administer annual training is subject to a \$500 and \$250 fine, respectively. This bill would align the fine at \$1,000. This bill would also increase the fine for PSE and PPO violations of two recordkeeping requirements from \$500 to \$1,000. The fine for a PSE's or PPO's failure to deliver a written report to BSIS describing the circumstances surrounding the discharge of a firearm or a physical altercation with a member of the public is \$2,500 and \$5,000, respectively. This bill would lower the fine for PPOs to \$2,500. This bill would also make a PSE's failure to compensate employees for security skills training subject to a \$2,500 fine and failure to ensure security skills training occurs as required subject to a \$5,000 fine. Additionally, this bill would increase the maximum fine for numerous violations committed by PPOs, including failure to compensate employees for security skills training and failure to ensure security skills training occurs as required, from \$2,500 to \$10,000.

Reporting. Under existing law, a PPO is required to provide a written report describing the circumstances surrounding the discharge of a firearm, or a physical altercation with a member of the public that results in various outcomes, such as the arrest of a security guard or a member of the public requiring first aid or other medical attention. This bill would require a PPO to report any physical altercation with a member of the public that results in a security officer needing first aid or other medical attention. This bill would also extend the same reporting requirements to PSEs and require BSIS to publish an annual report containing county-level data.

Security Guard Wages. This bill also requires the Industrial Welfare Commission to convene five regional hearings throughout the state and issue a wage order specific to employees in the property services industry by June 30, 2028. This bill was also referred to the Assembly Labor and Employment Committee and Assembly Public Safety Committee.

According to the Author

"Security guards are relied upon by communities, local businesses, property managers, nonprofits, and local governments to help keep people safe. They are often the first to respond during emergencies and high-stress situations and must act quickly to protect those around them. 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. [This bill] improves working conditions for security guards by ensuring they are adequately trained and fairly compensated for their responsibilities."

Arguments in Support

As the sponsor of this bill, *SEIU California* writes in support:

Security officers are on the front lines of public safety every day. Across California, they protect people and property in high-rise buildings, hospitals, airports, stadiums, warehouses, and other critical infrastructure. Increasingly, they are called upon to respond to complex and

high-risk situations, including de-escalating conflicts, addressing behavioral health crises, and serving as the first point of contact in emergencies. Security officer duties often include responding to incidents and critical situations, apprehending or expelling persons engaged in suspicious or criminal acts, restraining or removing trespassers, protecting people from physical attack, preventing inappropriate occurrences, confronting and detaining violators, implementing conflict management techniques to resolve issues, and de-escalating conflicts [...] However, the reality is that many security officers are being asked to perform these duties without the training, support, or compensation necessary to safely do their jobs. As outlined in [this bill], current training standards are insufficient to prepare officers for the dangerous and unpredictable situations they routinely face. At the same time, a shortage of law enforcement personnel has increased reliance on security officers to fill critical public safety gaps, often placing them in precarious positions without adequate preparation. This disconnect puts both workers and the public at risk.

Arguments in Opposition

The *California Association of Licensed Security Agencies, Guards & Associates* writes:

While we support the sentiment and continuing need to ensure security officers are well-trained, [This bill] will immediately make it more expensive and more difficult to employ security guards, resulting in an even greater shortage and delayed deployment of the exact individuals the bill seeks as necessary to provide protection to California citizens and visitors, especially in light of the upcoming world-wide events coming to California (e.g., 2026 FIFA World Cup in Inglewood and Santa Clara, Super Bowl LXI in Inglewood, LA 2028 Summer Olympics, etc.). [This bill] will eliminate jobs making companies that seek to automate security functions more competitive thereby displacing the very people the bill intends to help. Cameras, computer screens, fences, and lighting will replace human security officers with the result of less support for our law enforcement officers. [This bill] is a job killer.

FISCAL COMMENTS

According to the Assembly Appropriations Committee:

- 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.

VOTES

SENATE FLOOR: 25-8-7

YES: Archuleta, Arreguín, Ashby, Becker, Blakespear, Cervantes, Cortese, Durazo, Gonzalez, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Reyes, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

NO: Alvarado-Gil, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Allen, Cabaldon, Caballero, Choi, Dahle, Grayson, Richardson

ASM BUSINESS AND PROFESSIONS: 11-4-4

YES: Berman, Addis, Ahrens, Bauer-Kahan, Caloza, Elhawary, Haney, Hart, Jackson, Lowenthal, Pellerin

NO: Alanis, Ellis, Dixon, Macedo

ABS, ABST OR NV: Bains, Chen, Irwin, Nguyen

ASM LABOR AND EMPLOYMENT: 5-2-0

YES: Ortega, Elhawary, Kalra, Lee, Ward

NO: Alanis, Chen

ASM PUBLIC SAFETY: 5-2-2

YES: Schultz, Mark González, Haney, Harabedian, Sharp-Collins

NO: Alanis, Lackey

ABS, ABST OR NV: Nguyen, Ramos

ASM APPROPRIATIONS: 10-3-2

YES: Wicks, Arambula, Calderon, Caloza, Fong, Mark González, Krell, Pellerin, Sharp-Collins, Solache

NO: Hoover, Ta, Tangipa

ABS, ABST OR NV: Dixon, Pacheco

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