

PUBLIC HEARING ON ADMINISTRATIVE RULES SIGN-IN SHEET

Agency name:	Department of Licensing and Regulatory Affairs		
Division/Bureau/Office:	Corporations, Securities, and Commercial Licensing		
Title of proposed ruleset:	Private Security Guard and Security Alarm Agencies		
ARD assigned ruleset number:	2023-80 LR		
Hearing date:	5-20-25	Hearing location:	2407 N Grand River Ave, Lansing MI 48906, Jupiter Room

NAME	ORGANIZATION REPRESENTED	E-MAIL	WISH TO TESTIFY?
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ADAM NELSON	CERBERUS SECURITY	ADAM@CERBERUSSECURITYHQ.COM	<input checked="" type="checkbox"/> Yes* <input checked="" type="checkbox"/> No
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Mike McDaniell	City Shield	michael.mcdaniell	<input type="checkbox"/> Yes <input type="checkbox"/> No
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Stephen Alexander	Alliance Risk Mitigation Strategies	allriskmitistrats@gmail.com	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Linda Clegg	LARA	CleggL@michigan.gov	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Trey Hugley	AUS	Trey.Hugley@aus.com	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Transcript of Public Hearing for Ruleset 2023-80 LR

00:00:12 Mitchell Page

Alright good morning, everyone. We're going to get this started.

This is a public hearing on the proposed administrative ruleset entitled private security guard and security alarm agencies. This hearing is being conducted pursuant to provisions of the administrative procedures act and the private security business and security alarm act on behalf of the Department of Licensing and Regulatory Affairs, Corporations, Securities, and Commercial Licensing Bureau. This hearing is being called to order at 9:02 AM on May 20th, 2025, at the offices of CSCL in Lansing Michigan. This hearing was published in 3 newspapers of general circulation as well as the Michigan Register published on May 15th, 2025. My name is Mitchell Page, and I will be facilitating this hearing today. Please know per the provisions of the administrative procedures act, this public hearing will not take the form of a question-and-answer session.

We are here today to receive your comments and questions on the proposed rules. If you wish to speak, please make sure you've signed in and indicated your willingness to speak. I'll call them the speakers in the order in which the names are listed. When you come forward to speak you can come up and sit here or stand if you wish whatever you're comfortable with.

Please identify yourself with your name and the organization you represent, and it looks like we have your e-mail so we're good there.

If you have additional comments in writing or if anyone else you know does, you may leave them at the desk up there or submit them to the department no later than 5:00 PM this Friday May 23rd, 2025.

So, let's get started first up we got Adam Nelson.

00:02:16 Adam Nelson

Forgive me on this, I have not been to one of these meetings before so I will try to be brief. My name is Adam Nelson, I'm the director of operations of Cerberus Security. We're based out of Muskegon. We do have multiple states that we are licensed in, so we have a lot of understanding of what we're dealing with, the rules and regulations that covers security. So, in comparison, Michigan is well, kind of referred to as the wild, wild west. There's very few rules, very few regulations, and in some cases that's a benefit and in others it's definitely a negative.

Especially in the competing agency market when you're dealing with so little regulation - which again, I'm not a fan of regulation, but I am a fan of smart regulation - but when you're when you're trying to do an apples-to-apples or oranges-to-oranges comparison then you're really bidding against or competing with an apples against an orange it's an entirely different world so it's uh, further clarification of a lot of the rules.

As well as possibly the adoption of more - especially in the armed market - but just as far as the rules that are already proposed here, we personally have no issues with those, however we do seek to clarify a few things that it mentions specifically that there will be clarification in the contractor portion of things but yet I don't know where that clarification of the contractor portion is because it doesn't actually mention it specifically in the rules change, it just mentions that in the, the meeting notes here. So, if there could be some clarification on that that would be greatly appreciated. But also, when referencing the uniform code, is there any provision to that for plain-clothed security? Because, as an example, for executive protection you're not necessarily going to be in full uniform you're going to be in a suit or what have you but yet you're still qualifying through the state rules under security guard.

Then also along the same lines would be rather than executive protection would be a loss prevention person is going to be plain clothes, they're going to be blending in in their environment they're not going to be wearing a uniform so we would like to have some further clarification on that but other than that just simply other questions that can be handled separate and aside from this meeting.

00:05:17 Mitchell Page

That's excellent, thank you Adam.

Next up looks like Mike McDaniel indicated.

00:05:39 Mike McDaniel

Good morning. Mike McDaniel, I'm a managing partner and general counsel for City Shield Security. We are a woman-owned small business in the city of Detroit. Been in business for 10 years. Have a couple of concerns with the rules that I would like to bring to your attention.

The first is with rule 3, under badges the rules proposed rule states that the badge must not be star shaped, and it must not resemble a law enforcement personnel badge that could deceive or confuse the public. That is written in the conjunctive so that it means to the reader that it, that it must fit both of those.

So, star shape and must not resemble a law enforcement personnel badge? If that is meant to be an "or" in the disjunctive, then it would be highly confusing because and "or" would suggest that a badge by a security guard cannot resemble a security guard company, could not resemble a law enforcement personnel badge. We have a number of problems with that; I suggest that maybe it means in the disjunctive because on LARA's website I see the following guidance: quote, a badge or shield may not resemble that of a local police department, The County Sheriff's Department, or the Michigan State Police, giving you examples there.

So, there's a there's a concern there. First, the word resemble is entirely subjective. Resemble under Merriam Webster dictionary just means must "look like" or "it seems to be the same as it is", and in my mind it is. We've got a problem with vagueness there, it seems over broad. And

most importantly it doesn't provide the security companies fair notice of the conduct that's being regulated there.

There are something like 550 to 560 different police agencies in the state of Michigan. They all have their own badges. They pride themselves on having different badges just as security guard companies do, and whether or not we quote-unquote "resemble a law enforcement personnel badge" is going to be very problematic.

In essence, agents or officers for LARA would be making a sort of a subjective arbitrary decision as to whether the shape, the coloration, internal graphics, the wording, any other accoutrements of the badge or the patch of a private security companies resembles that of a police badge.

Secondly, looking to rule 4. Rule 4 has certain words that cannot be used by security guard agencies. The one that we have a problem with is the word officer. If you look at the definition of peace officer in the state of Michigan at MCL 750.215(5), it lists officers and it specifically says an officer of the state police, an officer of a police department, a security employee by the state police or the state, a conservation officer, a motor carrier officer, a park and recreation officer, a state forest officer, a federal law enforcement officer.

There are, in all of those cases there's a modifier in front of the word officer for clarity as to the type of officer, which is being uh, which is considered law enforcement within the state. The word "officer" by itself is way too broad. Without any modification to the word officer, there's no intention to the rule. An officer is generally considered one with some responsibility, with uh, functions and duties of an officer in a position of trust. and so it could refer, if there's no modifier, it's unknown to the reader whether you intend to refer to a military officer, or peace officer, or corporate officer, a publicly elected officer or others. We ask that you delete the word officer as the intent of the rule is very clear by using the words police, sheriff, deputy peace officer, and marshal, which are certainly all mentioned within the statute that I just cited for the definition of law enforcement officers.

Finally, one that needs clarification. Rule 6 refers to an employee - excuse me - an employer shall conduct an annual multi-jurisdictional criminal background check of employees to meet the requirements of section 10. Section 10 of the act refers to any of the officers, directors, partners, or manager. And then in essence requires a background check because you have to assure that they have not been convicted of a felony or misdemeanor. So, the clarification needed under uh proposed rule 6(2) is that employees as used in the rule - and it refers to section 10 - is to be limited to the officers directed part directors, partners, or managers of a security agency and not every single employee.

Doing a uh, an annual multi-jurisdictional criminal background check on every employee employed by a security company would be an incredibly onerous business given the nature of the business, the number of employees that large security companies have and the fact that some individuals are there for 6 months and then they leave.

We certainly do a criminal background check on every employee when we hire them, but to do an annual check on every single employee would be too onerous. So those are my comments I thank you for your time and we will also submit this in writing.

00:11:56 Mitchell Page

Excellent thank you Mike.

Alright and then we have Stephen Alexander who wishes to speak.

00:12:17 Stephen Alexander

Alright good morning. Thank you for having me. My name is Stephen Alexander I represent Alliance Risk Mitigation Strategies. Fairly new security company based here in Lansing, Michigan.

I think first I want to join in with the comments that were made prior to me the, the vagueness and some of the terminology, the considerations for the for the big companies as it were, for me the small guy so to speak my concern, and I think I'll phrase it as a request for clarification.

This rule 5, daily supervision. As I understand this statement, the qualifying officer needs to have it says operational supervision of the agency and David so to me what that says is that someone who has an office you know in Lansing is in the office and in Detroit can't have the same. Or would you call it can't have the same qualifying officer because you know I may have stipulations for this is what needs to happen that's how it goes that doesn't to me satisfy the daily operational supervision of the agency component if it does great if I'm mistaken, great, but if not I would very much appreciate some clarification on that.

Yeah, they covered the other one. The other one was about the badges so that's it. So those are my concern, clarification on the rule number 5.

00:14:09 Mitchell Page

Alright, thank you. Did we have anyone else that wished to speak?

OK.

And then the gentleman who just walked in can you make sure to sign in? OK, excellent and you don't, do you wish to speak at all? OK.

Alright, we are going to close out the hearing at this time if there's no further comments. I hereby declare that the hearing is closed. Any additional comments regarding the proposed rules you may submit in writing to myself, Mitchell Page. My e-mail is pagem6@michigan.gov, the record will remain open until this Friday, May 23rd, 2025, at 5:00 PM. The current time is 9:16 AM and we are done thank you.