

# Employee Requirements

of the Private Security Business  
and Security Alarm Act



# Employee Requirements of the Private Security Business and Security Alarm Act

The Private Security Business and Security Alarm Act ("Act"), 1968 Public Act 330, MCL 338.1051 et seq., regulates private security guards, private security guard agencies and businesses, and security alarm system contractors within the State of Michigan. The Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau ("Department") is tasked with licensing and regulating private security guards, private security guard agencies and businesses, and security alarm contractors and businesses. The purpose of this spotlight is to alert licensees and future licensees of what the Act requires of persons and entities who provide private security guard services or security alarm services in the State of Michigan within the first year of obtaining licensure.

Note: The Department of State Police is tasked with the administration of the Act as it relates to private security police and private college security forces. MCL 338.1052(1)(b).

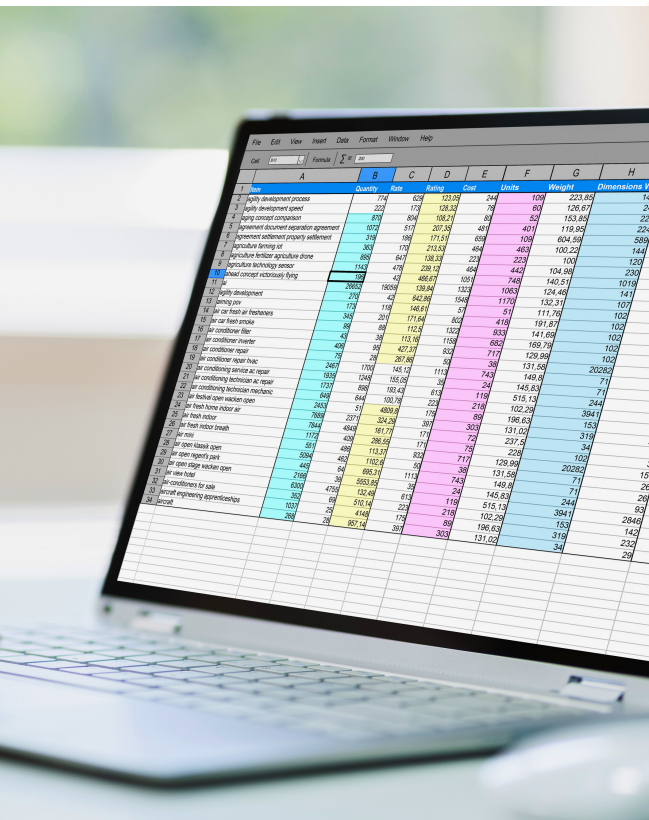


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## Employee Rosters Due Quarterly



	Quantity	Rate	Unit	Weight	Dimensions	Vol
1. fully development process	222	179	128.32	24	100	222.82
2. fully development speed	222	179	128.32	78	60	126.87
3. fully development comparison	870	804	108.21	8	52	153.85
4. agreement document preparation agreement	1079	517	207.38	48	401	1118.88
5. agreement document preparation agreement	318	188	171.51	888	108	604.88
6. agreement document preparation agreement	343	178	213.89	464	483	100.22
7. agreement document preparation agreement	880	847	128.32	223	223	130
8. agreement document preparation agreement	1142	476	238.12	454	442	104.88
9. agreement document preparation agreement	199	47	488.67	101	140	1018
10. agreement document preparation agreement	2062	1658	138.84	1332	1063	124.48
11. agreement document preparation agreement	210	42	942.89	1948	1170	132.31
12. agreement document preparation agreement	173	188	168.81	57	57	111.74
13. agreement document preparation agreement	345	201	171.64	802	418	191.87
14. agreement document preparation agreement	39	48	115.57	102	833	141.69
15. agreement document preparation agreement	43	34	113.18	1168	862	165.79
16. agreement document preparation agreement	48	95	427.37	932	7117	129.88
17. agreement document preparation agreement	19	38	287.89	14	38	131.58
18. agreement document preparation agreement	2487	1700	145.12	1115	743	149.8
19. agreement document preparation agreement	1333	1248	105.08	38	24	145.63
20. agreement document preparation agreement	1373	888	182.47	878	118	518.13
21. agreement document preparation agreement	648	644	100.78	223	218	102.24
22. agreement document preparation agreement	2480	51	34.29	388	89	196.68
23. agreement document preparation agreement	788	237	409.9	175	303	131.02
24. agreement document preparation agreement	788	237	409.9	175	303	131.02
25. agreement document preparation agreement	1173	484	181.77	171	72	237.22
26. agreement document preparation agreement	581	458	286.56	171	72	237.22
27. agreement document preparation agreement	581	458	286.56	171	72	237.22
28. agreement document preparation agreement	581	458	286.56	171	72	237.22
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36. agreement document preparation agreement	581	458	286.56	171	72	237.22
37. agreement document preparation agreement	581	458	286.56	171	72	237.22
38. agreement document preparation agreement	581	458	286.56	171	72	237.22
39. agreement document preparation agreement	581	458	286.56	171	72	237.22
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85. agreement document preparation agreement	581	458	286.56	171	72	237.22
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87. agreement document preparation agreement	581	458	286.56	171	72	237.22
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89. agreement document preparation agreement	581	458	286.56	171	72	237.22
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96. agreement document preparation agreement	581	458	286.56	171	72	237.22
97. agreement document preparation agreement	581	458	286.56	171	72	237.22
98. agreement document preparation agreement	581	458	286.56	171	72	237.22
99. agreement document preparation agreement	581	458	286.56	171	72	237.22
100. agreement document preparation agreement	581	458	286.56	171	72	237.22

**Employee Rosters.** Licensees must compile and maintain complete records of all employees and file a complete employee roster with the Department on a quarterly basis. The rosters must be filed with the Department by April 15, July 15, October 15, and January 15 for the immediately preceding quarter.

Section of the Act: MCL 338.1067(3).

The Worksheet for Employee Rosters form for security guard agency licenses or branch licenses may be accessed on the Department's website by clicking [here](#). A more detailed listing of the information the quarterly employee rosters must include may also be accessed on the Department's website by clicking [here](#).

## Suspension and Non-Renewal of License

Failure to submit accurate employee rosters to the Department may result in suspension of the license. Additionally, the Department will not process a license renewal application **if a licensee has not submitted quarterly rosters for the preceding 2-year license period.**

Section of the Act: MCL 338.1067(3).





## ■ Misdemeanor for Misrepresentations

A licensee that falsely represents that an individual is employed by the licensee constitutes sufficient cause to revoke the license.

Section of the Act: MCL 338.1067(4).

## Employee Qualifications



## ■ Accountability for Employee Misconduct

Licensees are accountable for the good conduct of each person they employ to assist in their security business work.

Section of the Act: MCL 338.1067(1).

## ■ Requirements for Employees

An employee hired by a licensee after June 21, 2002, must meet the qualifications outlined in section 6(1) (c), (e), (j), and (k) discussed in the disqualifying events below, be at least 18 years of age and have at least a high school diploma, GED, or its equivalent.

Section of the Act: MCL 338.1067(2).



## ■ Disqualifying Events

An employee may not have:

**01**

Been convicted of a felony, MCL 338.1056(1)(c);

**02**

Been convicted of offenses listed in MCL 338.1060(1)(c) in the 5-year period preceding the date of the employee's application, involving the following:

- a. Dishonesty or fraud;
- b. Unauthorized divulging or selling of information or evidence;
- c. Impersonation of a law enforcement officer or employee of the United States, the State of Michigan, or a political subdivision of the State of Michigan;
- d. Illegally using, carrying, or possessing a dangerous weapon;
- e. Two or more alcohol related offenses;
- f. Manufacturing, creating, delivering, or possession of controlled substances under the public health code; and
- g. Assault.

**03**

Been adjudged insane, unless he or she has been adjudged restored to sanity by court order, MCL 338.1056(1)(j); and

**04**

An outstanding warrant for his or her arrest, MCL 338.1056(1)(k).

Specific controlled substances provisions of the Public Health Code may be accessed by clicking [here](#).

# Unqualified Employees Fingerprinting and Background Checks of Prospective Employees



**Licensee Ensures Employee Meets Requirements.** A licensee is responsible for ensuring that its employees *meet the requirements of the Act*. Neither the Department, the Department of State Police, nor the Federal Bureau of Investigation (FBI) will make a determination of an employee's qualifications.

**Unqualified Employees.** It is a violation of the Act for a licensee to knowingly employ any person who fails to meet the requirements of section 17 of the Act.). The requirements and disqualifying events are listed above. In addition, an individual who **falsely represents** that they are employed by a licensee is guilty of a misdemeanor punishable by imprisonment for up to *93 days or a fine of up to \$500,00, or both*. Sections of the Act: MCL 338.1068(1), MCL 338.1067 & MCL 338.1067(5).



**Employee Applications and Record Retention.** A licensee must request that the Department of State Police conduct a background check on every prospective employee who will be a direct provider of the security business based on a name check. A licensee must obtain a complete and signed employment application for all persons for who a name check is requested and conducted. A licensee must keep the application for at least one (1) year from the date it was received. Section of the Act: MCL 338.1068(4).

**Preliminary Background Check Procedure (Before Fingerprinting).** A licensee may request that the Department of State Police conduct a name check in writing, electronically, or by telephone. The licensee must pay a **\$15.00 fee** for the name check, which must be **completed within 3 days** after receipt of a written request and within 24 hours after receipt of a telephone or electronic request. Once the Department of State Police issues a provisional clearance based on a name check, a licensee may allow the employee to be employed as a security guard for up to **90 days** pending final clearance of the fingerprint background checks.

Section of the Act: MCL 338.1068(4).





**Fingerprinting and Background Checks.** A licensee must fingerprint all prospective employees if the prospective employee will be a direct provider (e.g., a security guard or security alarm system agent) of the security business. Once obtained, the licensee must submit the fingerprints, along with the applicable fee(s), to the Michigan Department of State Police and the Federal Bureau of Investigation (FBI) for a state and national criminal history background check. A licensee may not employ a person to be a direct provider of the security business before that person's fingerprints have been submitted to the Department of State Police.  
Section of the Act: MCL 338.1068(2).

**Fingerprinting Locations.** The prospective employee's fingerprints may be taken by a governmental vendor, or a private vendor determined by the Department of State Police to be qualified to take fingerprints. A licensee may only take fingerprints if the licensee has obtained training in taking fingerprints from the Department of State Police, a local law enforcement agency, or another qualified party. A listing of private and governmental fingerprinting live scan vendors may be accessed on the Department of State Police's website by clicking [here](#).

Section of the Act: MCL 338.1068(3).



**Misdemeanor.** It is a misdemeanor for a licensee or the licensee's employee to use a name check or the results of a name check for a purpose other than prospective employment, punishable by imprisonment for not more than *93 days*, *a fine of not more than \$1,000.00*, or *both*. Note that the Department does not have the authority to enforce the criminal provisions of the Act, but it routinely makes referrals of suspected criminal activity to law enforcement agencies with that authority.

Section of the Act: MCL 338.1068(4).



# A License May Not Be Transferred or Assigned

A license issued under the Act may **not** be transferred or assigned by a licensee to another individual or entity; the license is personal to the original licensee. ↪  
Section of the Act: MCL 338.1065.



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