



POLICE CODE ARTICLE 25
ASSESSMENT & IMPLEMENTATION PLAN

INTRODUCTION

Within the last few years, San Francisco residents have raised concerns of private security guards racially profiling or harassing members of the public. A handful of incidents in 2019 and 2020, led to elected officials, specifically Board of Supervisors, taking on more proactive roles with their constituents to understand the role of security firms operating within the City and County of San Francisco, and the level of oversight that exists. In 2021, District 2 Supervisor Catherine Stefani recommended revisiting Article 25, a local law governing oversight of security firms established in 1972. Article 25 outlines expectations of this oversight by the police department but it was never implemented or enforced in any capacity, since its approval in 1972.

In January 2022, the Board of Supervisors unanimously voted on an ordinance to conduct a six-month study of Article 25, that requires private security firms to register with the city, pay annual fees and abide by certain rules established by the San Francisco Police Department.

This analysis is the direct result of the January 2022 ordinance, NO 13-22 Police Code - Private Protection and Security Service, that calls for a joint analysis from the San Francisco Police Department and the Controller's Office.

The San Francisco Police Department is committed to working with our elected officials, city departments and city residents to ensure an equitable, effective and efficient process to appropriately provide oversight to security firms who offer services in the City and County of San Francisco.

POLICE CODE ARTICLE 25 & DEFINITIONS

SF Police Code Article 25 requires the Police Department to register all fixed patrols, street patrols, and private watchmen operating within the City and County of San Francisco (CCSF).

The following Sections briefly outline the responsibility of the SFPD.

SEC 1750. REGISTRATION OF FIXED PATROLS, STREET PATROLS, AND PRIVATE WATCHMEN

Unless registered as hereinafter provided, it shall be unlawful for any person, either for himself or for any other person, firm or corporation, to manage, conduct or carry on the business of a fixed patrol, street patrol, or serve as a private watchman service in the City and County of San Francisco, or willfully to hire the services of a private watchman, fixed patrol, or street patrol, unless said private watchman, fixed patrol, or street patrol is registered as hereinafter defined.

- **Fixed Patrols:** A fixed person, firm or corporation licensed by California who aggress to furnish watch person, guard, patrol person, or other person to protect person or property or to prevent theft of goods, etc.
- **Street Patrol:** A person, firm or corporation who utilize public streets to perform such services and is licensed by the state.
- **Private Watchman:** A person appointed as a Special Police Officer

SEC. 1750.4. METHOD OF REGISTRATION OF STREET PATROL AND FIXED PATROL SERVICES.

Persons required to register by Sections 1750.6 and 1750.7 of this Article for Street Patrol or Fixed Patrol Services shall do so with the Chief of Police on application forms provided therefor.

Article 25 was added to the City Charter by Ordinance 312-72 in November 1972.

CONSIDERATIONS OF ARTICLE 25

Although listed in Article 25 as a subcategory to be registered, Private Watchmen no longer exist and is different than Patrol Specials as defined by Admin Code SEC 4.127.

Moreover, it is important to note that businesses, both private and community based, that have loss prevention officers employed by the business, do not need to register through this process. However, if the business hires a security firm as loss prevention, these firms and their employees **MUST** register.

Lastly, Article 25 does not apply to private investigators, re-possessors.

In addition, it does not apply to door supervisors or doormen, commonly referred to as “bouncers.” To address and consider including this last category, Article 25 will need to be amended to include a more robust process, as the State of California currently does not provide any registration guidance or requirements for door supervisors or doormen.

STATE OF CALIFORNIA REGULATION OF SECURITY FIRMS

The State of California has an extensive regulation and oversight process of security firms and security guards. This process is detailed through the State of California, Department of Consumer Affairs, Bureau of Security and Investigative Services (BSIS).

Additional guidance is found through the California Business and Professions Code (BPC) that contain state statutes. The BPC deals specifically with laws that govern the actions of professions as they go about their business. Security firms and their requirements are specifically detailed.

Business and Professions Code Sections 7580 through 7588.8 established the Private Security Services Act of 1994 (the Act), which became effective on January 1, 1995. As such, these the regulations did not exist when Article 25 was implemented in 1972.

REVIEW OF STATE OF CALIFORNIA REGULATIONS

B&P Chapter 11.5 provides extensive regulatory requirements under the following:

- Article 1. General Provisions
- Article 2. Administration
- Article 3. Regulation, Licensing, and Registration
- Article 4. Private Patrol Operators
- Article 5. Firearms and Baton Training Facilities
- Article 6. Expiration and Renewal of License
- Article 7. Disciplinary Proceedings
- Article 8. Revenue

The state has an appointed director who oversees the administration of the program. In addition, the Governor appoints two private security disciplinary review committees existing of five members each; one for Northern and one for Southern California.

Security guards are employed by licensed private patrol operators or private security employers to protect property and prevent theft (BPC Sec. 7582.1) and must undergo a criminal history background check through the California DOJ and FBI.

Article 3 clearly states that a business or individual may not represents itself to provide security services as defined under this law unless licensed by the State. Violation of this is a misdemeanor and is punishable of a fine of \$10,000 or imprisonment in county jail for not more than one year or both.

Private Patrol Operators (PPO) are businesses that provide security services. The owner/operator and any partners are required to undergo the background process. The Act requires one person to be in charge of the business as a qualified manager. The qualified manager must have specific training and experience above-and-beyond that of an individual security guard including at least 2000h ours of experience as a security guard and pass a written examination. In addition, the applicant is screened through a by the Psychological Services Industry.

LIABILITY INSURANCE IS REQUIRED BY PPOS THAT COVER THE BUSINESS AND ALL EMPLOYEES

For individual security guards, the state also requires specific training to be completed prior to or within six months of the issuance of a security guard registration including instruction on the power to arrest and security officer skills. In addition, licensed security guards must complete eight hours of continuing training annually. If a security guard wishes to carry certain

equipment, (firearms, tear gas, batons) additional training as well as a testing element are required.

The application process is similar to that required under Article 25 and includes the registration and fingerprinting of the business, each of its employees, and any partners/officers of the corporation or LLC that will allow for a background check by the Department of Justice to be completed.

Before an application for a license or registration is granted, the applicant for a license for a security guard registration shall meet all of the following:

- Be at least 18 years of age.
- Not have committed acts or crimes constituting grounds for denial of a license under Section 480.
- Comply with the requirements specified in this chapter for the particular license or registration for which an application is made.
- Comply with other qualifications as the director may fix by rule.
- In lieu of meeting any other training-related requirements of this section, an applicant may apply for licensure or registration if he or she has completed comparable military training as documented by submission of Verification of Military Experience and Training (V-MET) records.
- Take and pass an examination

A disciplinary process has been established and allows for the director to suspend or revoke a license for any of the following.:

- Made any false statement or given any false information in connection with an application for a license or a renewal or reinstatement of a license.
- Violated any rule of the director adopted allowed under the Act.
- Committed any act or crime constituting grounds for denial of licensure under Section 480, including illegally using, carrying, or possessing a deadly weapon.
- Impersonated, or permitted or aided and abetted an employee to impersonate a law enforcement officer or employee of the United States of America, or of any state or political subdivision thereof.
- Committed or permitted any employee to commit any act, while the license was expired which would be cause for the suspension or revocation of a license, or grounds for the denial of an application for a license.
- Willfully failed or refused to render to a client services or a report as agreed between the parties and for which compensation has been paid or tendered in accordance with the agreement of the parties.
- Committed assault, battery, or kidnapping, or used force or violence on any person, without proper justification.
- Knowingly violated, or advised, encouraged, or assisted the violation of any court order or injunction in the course of business as a licensee.
- Acted as a runner or capper for any attorney.

- Used illegal means to collection or attempt to collect a debt.
- Manufacture of evidence.
- Been convicted of a violation of Section 148 of the Penal Code.
- Committed any act which is a ground for denial of an application for a license under this chapter.
- Purchased, possessed, or transported any tear gas weapon except as authorized by law. A violation of this subdivision may be punished by the suspension of a license for a period to be determined by the director.
- Been convicted of a violation of Section 95.3 of the Penal Code.

The Act allows for any city, county, or city and county by ordinance to impose local regulations in addition to the state regulations. Local jurisdictions may refuse registration to any person of bad moral character and impose reasonable additional requirements to meet the local needs that are not inconsistent with the state Act.

GAP ANALYSIS & IMPLEMENTATION

There are nearly 10,000 active Guard Cards currently issued in the City and County of San Francisco. These cards are issued to Security companies and Security Guards, who may or may not be employed by security companies, by the California Department of Consumer Affairs, Bureau of Security, and Investigative Services (BSIS).

Article 25 of the Municipal Police Code requires that the SFPD register background check, issue ID cards, and hear appeals regarding any individual or firm that is engaged in activities defined as “fixed patrol” or “street patrol.” Additionally, the Board of Supervisors ordinance mandates requirements for non-discrimination and elimination of bias and a process for receiving and investigating complaints for violations.

At this time, it is unclear how many guard card holders (individuals or firms) fall under the “fixed patrol” and “street patrol” definitions of Article 25, but it could be as many as 8,000. Since Article 25 mandates that each employee of a firm be individually screened and issued identification, there is effectively no time difference between processing a large firm or an equivalent number of individual applications.

ALCOHOL LIAISON UNIT(ALU)/PERMIT UNIT

The San Francisco Police Department is comprised of three main operational bureaus— Administration Bureau (ADM), Field Operations Bureau (FOB) and Special Operations Bureau (SOB). Permitting services and oversight lie within FOB, in the Alcohol Liaison Unit (ALU) / Permits Unit. This Unit oversees permits necessary for any business that involves specific services within the boundaries of the City and County of San Francisco and is responsible for ensuring that these types of businesses abide by city regulations, including investigating complaints against them. Services this unit currently oversees include towing, parking lots,

garages, Pedicabs, massage background checks, or sales other than food on city streets. On average, approximately 800 permits and renewals are done annually for the current stated services.

The ALU/Permits Unit is comprised of three sworn members and three non-sworn professionals.

IMPLEMENTATION PROCESSES & GAPS

Below is an estimate of processes, gaps, and time requirements for the implementation of Article 25 in its current form, including the recent amendment by the Board of Supervisors. In the absence of an accurate count of affected firms and individuals, total time estimates are based on 8,000 applicants.

A. NOTIFICATION OF REQUIREMENT TO REGISTER

Every security company and each individual guard card holder must be notified that they are required to register with the SFPD to operate in CCSF. Notifications could be made via mailers, press release, telephone, SFPD website, and in-person contact, as well as, for businesses, at the time applying for or renewing a business licenses. This would require coordination with the Treasurer and Tax Collector during the business registration process.

The notifications would need to include a narrowly and easily understood definition of the security functions that require registration, the requirements for successful registration, and an explanation of the registration process.

This process and the associated materials would need to be developed.

B. RECEIVE AND REVIEW APPLICATION

All guard card holders operating within CCSF would be required to complete an SFPD registration application. A new application would need to be created that included registration requirements such as possession of a valid guard card from the State's BSIS, with appropriate endorsements, uniform and insignia examples, and verification of required insurance.

Pursuant to the Board of Supervisors Ordinance 13-22, the applicant also would need proof of completion of an anti-bias training. This training would need to be outsourced to another City Department, such as the Department of Human Resources or Human Rights Commission, or vendor that could independently accept payment from registrants, conduct training, and issue certification to SFPD that applicant has completed required modules.

Technology improvements will need to be considered—either web-based or software upgrade, to allow an online application process, similar to the Tax and Treasurer's Business Registration Process, as this is not an option currently. Without an online application, registrants would be required to apply in person at the Public Headquarters Building. Given current processes,

accepting, and reviewing each application will take approximately 30 to 60 minutes, including returning incomplete or incorrectly completed applications for correction.

Application processing fees will need to be collected by the SFPD as part of this process.

C. LIVE SCAN APPLICANTS

Each applicant or employee would need to have a fingerprint background check, known as “Live Scan.”

Live Scan appointments can be scheduled with the SFPD ID Bureau, and each Live Scan appointment takes about 15-30 minutes for ID Bureau to process and submit to DOJ. Due to the expected volume of registrants for security officers and firms, it is expected that there will be a delay or backlog to get these appointments done in a timely manner.

Alternatively, applicants could be allowed to Live Scan with an outside vendor. This is currently only accepted for out-of-state permit applicants but would allow a higher volume of applications if expanded to local applicants.

The results of the Live Scan are returned to ALU/Permits for review of the applicant’s criminal background, if any. This review takes 15 minutes or less per record.

D. CREATE AND ISSUE ID CARDS

Once the application is approved, all fees are paid, and the registrant clears the background check, an SFPD ID card will be issued.

ID cards currently issued by ALU/Permits are made in personnel. At this time there is only one machine in the Police Department used to make ID cards. Each card takes approximately 15 minutes to make but the total capacity of the ID card printer is likely exceeded by the anticipated volume of applicants.

E. RECEIVING AND INVESTIGATING COMPLAINTS

The 2022 ordinance to amend Article 25 requires that there be a process to receive and investigate complaints against registrants for violations of firearm handling rules and non-discrimination requirements.

However, there is no way to accurately forecast the number of complaints that would be received regarding security firms and individual registrants as there is no current tracking mechanism to receive and investigate. A rough estimate can be considered, given the previously stated volume of applicants—roughly 8,000 applicants, but this could also offer misleading assumptions.

Regardless, the Department would need to establish a complete complaint procedure wherein criminal or law enforcement related cases are investigated internally, and those complaints that encompass bias/racial discrimination, are referred to a local agency such as the Human Rights Commission (HRC), that is mandated to address the causes of and problems resulting from prejudice, intolerance, bigotry and discrimination.

As highlighted above, the State process also has an extensive complaint process that could take on many of these complaints and offer a more seamless and robust investigative process, that immediately factors in their disciplinary review process and Disciplinary Review Board.

It is the Departments recommendation that, not unless a complaint is criminal in nature, the State take on this aspect of the process, reporting back to the ALU/Permits Unit with its findings. It would be incumbent upon the Department to follow up with the registrant and inform them of the appeals process.

F. DENIAL OR REVOCATION OF REGISTRATION

Article 25, section 1750.5 provides that the Chief of Police may refuse registration on grounds of “bad moral character.” This general disqualification is made even more difficult to interpret in light of section 1750.13, which allows that sex registrants under 290 Penal Code need not be disqualified from registering as long as their conviction occurred more than three years ago and they have completed their sentence.

However, section 1750.12 grants the Chief of Police authority to set rules regulating fixed patrol and street patrol registrations. This authority should be exercised to delineate and publish clear grounds for denial or revocation of registration. These should be developed after a review of the regulations regarding obtaining a guard card from BSIS and should include sex offenses, general felonies, and violent felonies, with a time limit of disqualification for each type of offense.

In addition to new criminal convictions, the process for revoking a registration would likely need to include consideration for investigative findings of Article 25 violations.

Despite some inconsistency in the language of Article 25, denial and revocation of registration appears to require a noticed public hearing. This would require a hearing officer to issue a ruling after hearing findings on the application, a rebuttal from the appellant, and any public hearing on the matter.

G. APPEAL OF DENIAL OR REVOCATION

Article 25 specifies that appeals shall be heard by the Police Commission and specifies timelines for the appeal process. Given that the Police Commission only has oversight over sworn individuals, it does not seem appropriate that the Commission manage the appeals

process. This task should likely be shifted to the Board of Appeals, as it is currently handled with other permitting processes.

There are a few additional items that are not contemplated by Article 25. Article 25 does not include any penalties for non-compliance. These penalties would need to include significant fines in order to prevent large firms from just ignoring the registration mandate and operating on a “pay the fine if we get caught” basis.

Article 25 also does not set any timeline for expiration and renewal of registration. Currently, some SFPD permits such as Tow Firm and Tow Operator must be renewed annually while others are non-expiring.

These issues would need to be decided by the Board of Supervisors and the Article will need to be updated to reflect these changes.

ACTIONS TO IMPLEMENT CURRENT RENDITION OF ARTICLE 25

The objective of this analysis is to assess Article 25 and to determine if it is in the best interest of the City to enforce its tenets, determine if any changes need to be made through legislative process, and to bring the Department into compliance with the ordinance as it currently exists.

As detailed in the previous sections, the following table highlights the recommendations and needs to successfully implement and enforce Article 25.

Recommendation	Description
Development of Internal Processes	ALU/Permits Unit will need software or the Department will need to invest in IT improvements to establish a platform that can process applications, registration payments/fees, track complaints and investigations, and track denials/revocations.
	Notification materials, applications and registration requirements such as possession of a valid guard card from State’s BSIS, with endorsements, uniform and insignia criteria, anti-bias training requirements, will need to be developed and properly communicated.
Staffing Needs	The following units will need to have additional staff to support the work associated with Article 25: <ul style="list-style-type: none"> - ALU/Permits Unit - ID Bureau

Recommendation	Description
External Vendors	<p>Vendors could be utilized to process the following services and mitigate some staffing and technology barriers the Department is facing:</p> <ul style="list-style-type: none"> - Anti-Bias Training - Live Scan Vendor - IT Dashboard Development
City Partners	<p>Consideration an appropriate City agency, such as the Human Rights Commission (HRC), to investigate complaints involving racial discrimination, bias, etc. .</p> <p>Consideration to have Department of Human Resources (DHR) to facilitate the bias training and certification.</p>
Legislative Amendments	<p>The following considerations need to be considered to update Article 25:</p> <ul style="list-style-type: none"> - Fees and penalties need to be included and updated to reflect current market/inflation values - Timeline for registrations/renewals should be included - Shifting denials/revocations hearings to Board of Appeals rather than Police Commission, as is done with other permitting processes

It is worth restating, that there are serious staffing concerns that have impacted the SFPD for the last three years. Attrition rate is at an all-time high, with sworn and civilian personnel leaving the Department for lateral positions, retirement or the profession in general.

The SFPD recommends that the processes associated with receiving and investigating complaints are shifted back to the State, as they have an extensive process to address this. Additionally, leveraging the State’s assistance will hopefully curtail some of the Department’s staffing needs associated with this work. The same is true for those complaints associated with moral turpitude. It is SFPD’s recommendation that they be referred out to the Human Rights Commission, as they are the City’s experts in the matter.

However, should the City and County of San Francisco move forward with having the SFPD handle all appropriate aspects of Article 25, budgetary considerations will need to be made to ensure all units impacted by this work are appropriately and fully staffed, to effectively carry out the mandates of the legislation.

FRAMEWORK FOR 21ST CENTURY IMPLEMENTATION OF ARTICLE 25

Understanding that the San Francisco Police Department is impacted by severe staffing challenges and staffing levels are not expected to reach the minimum staffing level established under Proposition E for at least ten years, the most effective and responsible manner to implement Article 25 will entail leveraging the pre-existing processes at the State level. The state level is extensive and has public safety safeguards such as running background checks as well as offering detailed oversight and discipline guidelines that do not need to be repeated at the local level. Doing so, will allow the SFPD to offer local oversight of security firms and provide San Franciscans an avenue of assistance when they feel a security firm or employee may have committed an offense, whether criminal or civil, or violated their rights, i.e., harassment, engaged in racial profiling activities.

The following is SFPD's recommendation for carrying out and implementing this work.

REGISTRATION

At the time a security firm or business or independent security guard registers with the Treasurer and Tax Collector (TTX) to do business in the City and County of San Francisco, they will be made aware that their business registration certificate approval is dependent on completion of the SFPD's registration process and completion of bias training. This verbiage will be added to the city's business registration process forms so registrants are informed at the onset of their business certification process

Registrants will be asked to report to SFPD Headquarters at 1245 3rd St., where they will be required to present the following information along with an SFPD application to be completed by the business.

- General Business information
- A list of each owner/LLC, and employees
- Identification for each owner/LLC and employee/s to include – DL/state-issued ID (or other acceptable form of identification)
- A valid State-issued guard card (issue and expiration) for each owner and employee
- Proof of uniforms, seals, emblems, and vehicles
- Proof of completion of bias training—certification from approved agency

SFPD, specifically a member of the ALU Permits Unit, would ensure the application and all appropriate information is submitted correctly. An inspection of uniforms and emblems would be done as well to ensure they do not mimic law enforcement. Following completion of this, a separate form will be provided to the registrant that confirms SFPD approval is granted, and registrant can complete their request for a city business license. It will be incumbent on the registrant to provide SFPD a copy of their business license once it is granted so that it is filed with SFPD. The registrant will have 2-weeks to complete this or sanctions will be taken.

Sanctions in the form of fees will be placed on the business. Copies can be emailed or dropped off at headquarters, referencing their state issues guard card.

In order to facilitate this process, SFPD would engage with in-house IT staff to assist with locating vendors that can provide options for IT or web-based support. This would allow the public and Unit to speed up the process and better track registrants' information through the aide of a dashboard and associated tools. It would also assist with the disseminating of information, so that impacted individuals can receive guidance immediately after submitting their complaint.

It will be incumbent upon the business to keep SFPD apprised of any changes to their personnel and renewals of their guard cards. Sanctions, i.e. fees, against the business will be considered if they do not follow through within 2-weeks. Business will be given 1 year to comply following the amendment and approval of the legislation.

This information would be added to the current "Get Service/Permits" page on the Department's website.

RECEIVING COMPLAINTS AND PERFORMING INVESTIGATIONS

It is Department's objective to ensure all individuals that have a valid complaint are able to do so seamlessly and with the proper support.

Information on how to make complaints would be added to the "Get Service/Permits" page on the Department's website. A link to download a pdf form to detail the circumstances of the incident will be available and should be emailed to the ALU Permits unit. A member of the Permits unit will reach out to the complainant and confirm receipt of incident and provide next steps and expectations for the investigative process.

If the complaints are criminal in nature, the SFPD will assign the case to the appropriate investigative unit within SFPD. If the complaints are of moral turpitude, i.e., bias behavior or racially motivated actions, they will be referred to the Human Rights Commission (HRC). All other complaints will be reviewed and sent to the appropriate City Department, i.e., City Attorney's Office, or to the State as they have an extensive complaint and disciplinary process.

ALU Permits Unit will have a designated liaison with the State to ensure there is an option to support complainants with proper processing, efficient notification of investigative findings/results, or general support with the State process. This will allow complainants a direct contact to follow up with any questions or updates on their case.

If the complaint is found to be valid at the State level and the business or employee license is revoked, ALU Permits unit will notify that business/employee notice and next steps.

APPEALS PROCESS

A registrant is entitled to appeal the findings following an investigation from the State. ALU Permits Unit will notify the registrant of their right to appeal, following the State notifying ALU of complaint findings. If the respondent chooses to appeal, the State Liaison will provide information/referral to the State. It will be incumbent upon the respondent to ensure they work with the State to address their concerns and findings. If the State revokes or suspends a individual guard or business, that individual or business will not be allowed to operate within the city.

RENEWAL PROCESS

Businesses and security guard holders will be encouraged to provide their renewed information every two years, in accordance with state guidelines. The Department website “Get Service/Permits” page will also have this reminder. ALU will be able to track which licenses are nearing expiration, as it was provided during initial registration, and communications can be sent out to the businesses via mail. Should IT be able to purchase or build out a dashboard that captures this information, renewal notifications would ideally be done automatically.

Following the completion of this report, the following is required to fully satisfy the mandates of the Board of Supervisors January 2022 Ordinance, NO 13-22 Police Code - Private Protection and Security Service.

NEXT STEPS

1. **Controller’s Office Gap Analysis:** As mandated by the ordinance, the Controller’s office will need to provide an analysis of staffing and any costs needed for implementation.
2. **Community Groups/Stakeholders:** Hold a series of community meetings and discussions with interested stakeholders to include any concerns/recommendations.
3. **Present to Police Commission:** At an open meeting of the Police Commission, provide department’s recommendations and assessment of implementing Article 25.