COMMITTEE REPORT NO. 767

Submitted by the Committee on Public Order and Safety on FEB 20 2021

Re : House Bill No. 8783

Recommending its approval in substitution of House Bills Numbered 518, 2325, 3547, 3669 and 7037

Sponsors: Representative Narciso R. Bravo Jr. and Michael Edgar Y. Aglipay

Mr. Speaker:

The Committee on Public Order and Safety, to which was referred House Bill No. 518 introduced by Rep. Michael Edgar Y. Aglipay, entitled:

"AN ACT
STRENGTHENING THE PRIVATE SECURITY INDUSTRY, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 5487, OTHERWISE KNOWN AS THE ACT TO REGULATE THE ORGANIZATION AND OPERATION OF PRIVATE DETECTIVE, WATCHMEN OR SECURITY GUARDS AGENCIES"

House Bill No. 2325 introduced by Rep. Evelina G. Escudero, entitled:

"AN ACT
AMENDING SECTIONS 5 AND 6 OF REPUBLIC ACT NO. 5487, AS AMENDED, OTHERWISE KNOWN AS THE PRIVATE SECURITY AGENCY LAW"

House Bill No. 3547 introduced by Rep. Florida "Rida" P. Robes, entitled:

"AN ACT
INSTITUTIONALIZING THE GUIDELINES GOVERNING THE EMPLOYMENT AND WORKING CONDITIONS OF SECURITY GUARDS AND SIMILAR PERSONNEL IN THE PRIVATE SECURITY INDUSTRY, MANDATING THEIR BENEFITS AND PROVIDING PENALTIES FOR FAILURE TO GIVE THE SAME AND FOR OTHER PURPOSES"
House Bill No. 3669 introduced by Rep. Rico B. Geron, entitled:

“AN ACT
STRENGTHENING THE PRIVATE SECURITY INDUSTRY, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 5487, ENTITLED, ‘AN ACT TO REGULATE THE ORGANIZATION AND OPERATION OF PRIVATE DETECTIVE, WATCHMEN OR SECURITY GUARD AGENCIES’, AS AMENDED”

and House Bill No. 7037 introduced by Reps. Yedda Marie K. Romualdez, Ferdinand Martin G. Romualdez, and Raymond Democrito C. Mendoza, entitled:

“AN ACT
STRENGTHENING THE PRIVATE SECURITY INDUSTRY, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 5487, ENTITLED, ‘AN ACT TO REGULATE THE ORGANIZATION AND OPERATION OF PRIVATE DETECTIVE, WATCHMEN OR SECURITY GUARD AGENCIES’, AS AMENDED

has considered the same and is honored to recommend to the House the approval of the attached House Bill No. _____, entitled:

“AN ACT
STRENGTHENING THE PRIVATE SECURITY INDUSTRY, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 5487, ENTITLED, ‘AN ACT TO REGULATE THE ORGANIZATION AND OPERATION OF PRIVATE DETECTIVE, WATCHMEN OR SECURITY GUARD AGENCIES’, AS AMENDED”


Respectfully submitted:

[Signature]

Chairperson
Committee on Public Order and Safety

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
Quezon City

AN ACT
STRENGTHENING THE PRIVATE SECURITY INDUSTRY, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 5487, ENTITLED, "AN ACT TO REGULATE THE ORGANIZATION AND OPERATION OFPRIVATE DETECTIVE, WATCHMEN OR SECURITY GUARD AGENCIES",
AS AMENDED

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1. SECTION 1. Short Title. - This Act shall be known as the "Private Security Industry Act".

2. Sec. 2. Declaration of Policies. — It is the policy of the State to uphold the safety of lives and property, and maintain peace and order. Towards this end, the State shall:

3. a) Strengthen the private security industry in recognition of its vital role in the protection of the people and the safeguarding of critical infrastructure, government buildings, public and private spaces, and commercial establishments;

4. b) Strongly affirm labor as a primary social force by ensuring the rights of security guards, watchmen, and other private security personnel to safe and healthful working conditions, and the implementation of fair labor practices affecting local security work; and

5. c) Firmly commit to the professionalization of the private security industry by establishing “Study Now, Pay Later” programs or providing scholarships for the continuing education and training of all its personnel.

6. Sec. 3. Scope of this Act. - This Act shall provide for the regulation and supervision of the private security industry and the practice of the security profession.

7. Sec. 4. Definition of Terms. As used in this Act:

8. a) Accreditation refers to the formal authorization issued by the Philippine National Police - Supervisory Office for Security and Investigation Agencies (PNP-SOSIA) to private security agencies, private detective agencies, private security training institutions, canine training
centers, canine service providers, supervisors and training personnel, armored service
providers, personal security protection service providers, electronic security device
providers and other specialized security providers that comply with the standards set at a
maximum level.

b) Armored Vehicle refers to a vehicle used in minimum security measures in the
continuance of protection in the transportation of cash, funds, checks, any negotiable
documents, or any other valuable item against crimes and other destructive causes. It is
an extraordinary vehicle made of bullet-resistant materials capable of withstanding the
firepower of high-powered firearms such as M16 and M14 rifles. Moreover, armored
vehicles shall be equipped with a vault, safe or a partition with a combination lock
designed to prevent retrieval of the cargo while in transit.

c) Company Guard refers to a regular employee of a private company who is employed to
render security services within the company premises.

d) Duty Detail Order refers to a written order of a private security agency issued by the
security manager, operations officer, or the branch manager authorizing the security
guards to carry agency-issued firearms while in prescribed uniform and in the
performance of security services during their tour of duty within the property of the
person, firm, or establishment with whom the agency has a contract for security services.

e) Electronic Security Device refers to any mechanical or electrical device, which is designed
or used for the detection of an unauthorized entry into a building, structure, or facility, or
for alerting others of the commission of an unlawful or unauthorized act within a building,
structure, or facility.

f) License to Exercise Security Profession (LESP) refers to a permit issued by the Chief,
Philippine National Police (PNP) or the duly authorized representative, recognizing a
natural person to be qualified to perform the duties as security or security training
personnel.

g) License to Operate (LTO) refers to a permit issued by the Chief, PNP, or a duly authorized
representative, certifying and authorizing a person to engage in employing and deploying
security guards, canine teams, protection agents, private detectives, and other licensed
specialized security personnel, or a juridical person, to establish, engage, direct, manage,
or operate a private detective agency or private security agency or company guard force
after payment of the prescribed dues or fees, and after complying with all the
requirements as provided by the rules and regulations implementing this Act.
h) **Pre-Licensing Training Programs** refer to licensing pre-requisite and pre-licensing training programs that include all training and academic programs and courses with the objective to indoctrinate the individual with the basic skills and educational background necessary in the effective exercise and performance of the security and detective profession. These include the Basic Security Guard Course and the Security Officers Training Course.

i) **Private Detective** refers to any licensed and qualified person, other than members of the PNP or of the Armed Forces of the Philippines (AFP), guards of the Bureau of Jail Management and Penology (BJMP), provincial, municipal or city jail guards, or any member of any other law enforcement agency, to perform detective work on a compensated basis.

j) **Private Detective Agency** refers to any entity that contracts, recruits, furnishes, or posts private detective and protection agents, or provides detective, investigative and protection services, or other detective and protective services as may be set by the PNP in consideration of a fee, reward, commission, or compensation.

k) **Private Security Agency** refers to any person, association, partnership, firm, company, or private corporation that: (1) contracts, recruits, trains, furnishes, or posts any security guard to perform its functions; (2) offers its services as a consultant or trainer on any security-related matter; or its security guards for hire, commission, or compensation through subscription to individuals, business firms, or private, public or government-owned or controlled corporations whose business or transactions involve national security or interest, including the operation or management of domestic and international ocean vessels, airplanes, helicopters, seaports, airports, heliports, landing strips; or (3) provides specialized security needs that the SWSIA may approve.

l) **Private Security Guard or Watchman** refers to any person for hire or compensation, or as an employee thereof, who offers and renders personal service to: (1) watch or secure either residences, business establishments, buildings, compounds, areas, or properties, including logging concessions and agricultural, mining or pasture lands; or (2) inspect, monitor, conduct bodily checks or searches of individuals or baggage or perform other forms of security inspection, whether physically, manually, electronically or with the aid of a police canine.

   A private security guard may qualify to undertake specialized roles in bank security, aviation security, maritime security, traffic security and management, bomb detection, and such other classes of specialties as the PNP may determine.
m) *Private Security Industry* refers to those engaged in the legitimate business of providing private security and detective, security training, canine security, electronic security and executive protection services including those in the management and administration of company guard forces.

n) *Private Security Personnel* refer to security consultants and officers, protection agents, training officers and directors, canine handlers, canine administrators, canine evaluators, canine trainers, kennel masters and other certified or licensed service providers rendering or performing security and detective services, other than security guards and private detectives, as employed by private security agencies and private firms.

o) *Private Security Services* refer to the act of providing or rendering services for compensation, to watch and guard an establishment, whether public or private, building, compound, area or property, whether by land, sea, or air, as the case may be; to conduct access control or denial in any form, whether physically, manually, or by electronic monitoring systems, for the purpose of securing such area or property and at the same time ensuring safety and protection of persons within such areas; to maintain peace and order within such areas; to provide or render canine security services to complement the security requirement of a public or private establishment; or to conduct other activities to cater to specialized security needs, as may be approved by the PNP-SOSIA, Civil Security Group (CSG).

Private security services may have any or all of these components: security guard services, protective agent services, detective agent services, security consultancy services, canine security services, maritime security services, air security services, close protection security devices, or electronic security devices such as, intrusion monitoring and closed-circuit television remote video surveillance. The exercise of the foregoing, shall, as a matter of course, be subject to the limitations provided for by law. It shall also include the act of contracting, recruiting, training, furnishing or posting of any security guard.

p) *Private Security Training* refers to training and academic programs and courses duly approved and prescribed by the PNP in coordination with the Technical Education and Skills Development Authority (TESDA).

q) *Protection Agent* refers to any natural person for hire or compensation who renders services to protect another natural person against unlawful activities, harm, danger, or injuries. The agent shall have undergone the training course for protection agents.
r) **Remote Video Surveillance** refers to digital video recording devices, cameras, or any other technology or device capable of enabling video or audio recording or transmission, or remote observation or listening-in, regardless of whether audiovisual recording is the sole or primary purpose of the device, for so long as the same is used with the intent to engage in compensated acts of surveillance and protection. The exercise of the foregoing shall, as a matter of course, be subject to the limitations provided for by the law.

s) **Security Guard Services** refer to private security services provided by licensed security personnel at a defined area, such as industrial plants, financial institutions, education institutions, office buildings, government facilities, retail establishments, commercial complexes, health care facilities, recreational facilities, residential and housing development, railways and subways, transportation vehicles and facilities, warehouses and goods distribution depots, local and international marine vessels, air forwarders, and other areas in need of private security requirements as may be prescribed by the PNP.

t) **Security Consultancy Services** refer to the services provided by licensed security personnel such as for the formulation of a security plan, threat and vulnerability assessment, site surveying, security auditing, risk management, travel security training, hostage avoidance, evacuation planning and incident management, and other services related to the formulation of security-related solutions.

u) **Special Detail Order** refers to a written order and schedule of a private security agency issued by a superior officer, usually the agency’s branch manager, operations officer or the administrative officer, directing the unarmed security guards to wear a special set of uniform approved by the SOSIA Uniform and Equipment Board and to perform security services.

Sec. 5. Private Security Agency Operator or Licensee – Any Filipino citizen or a partnership, association, or corporation that is one hundred percent (100%) owned and controlled by Filipino citizens may organize a private security agency and provide security services.

The operator or licensee of the said agency must be at least twenty-five (25) years old, a college graduate, of good moral character, has no previous record of conviction of any crime or offense involving moral turpitude, and is not suffering from any of the following disqualifications:

a) Has been dishonorably discharged or separated from the AFP, PNP or any other government law enforcement agency;

b) Is mentally incompetent as declared by the court;

c) Is addicted to alcohol or the use of narcotic drugs or other controlled substances; and

d) Has previously had the license to operate or license to exercise security profession revoked.
The minimum capital requirement and minimum bank deposit required of private security agencies shall be determined by the Chief, PNP in consultation with various stakeholders and shall be provided for in the rules and regulations issued to implement this Act.

For purposes of this Act, elective or appointive government employees who may be called upon on account of the functions of their respective offices in the implementation and enforcement of the provisions of this Act, and any person related to such government employees by affinity or consanguinity in the third civil degree, shall not hold any interest, directly or indirectly in any private security agency.

Sec. 6. License to Exercise Private Security Profession. – Any Filipino citizen may apply for a license to practice the private security profession and engage in the occupation, calling or employment either as a private security guard, private security officer, private detective, protection agent or private security consultant, after complying with academic, scholastic, skills, and training requirements subject to other requirements prescribed hereunder:

a) Basic Qualification Requirements of a Private Security Personnel:

i. A citizen of the Philippines;

ii. Must be at least twenty-one (21) years old;

iii. Has taken a private security course or seminar and possesses adequate training;

iv. Of good moral character and has not been convicted of any crime or offense involving moral turpitude;

v. Physically and mentally fit; and

vi. Has passed the neuro-psychiatric test and drug test administered by the PNP or other similar government neuro-psychiatric and drug testing centers or facilities accredited by the PNP.

For purposes of securing an LESP, it is essential that a letter of authority to conduct training must be issued by the SOSTA. Such training includes the pre-licensing requirements of the individual security guard and other security personnel, the periodic and non-periodic in-service skill refreshers for such security personnel, and other specialized, individual or group, private security personnel skills development.

Licensed or registered criminologists, by virtue of Republic Act No. 11131, otherwise known as “The Philippine Criminology Profession Act of 2018”, need not undergo a pre-licensing process to practice their profession as private investigators, administrators, consultants, or agents or detectives in any private security and detective agency organized under the provisions of this Act.

b) Qualifications of a Private Security Guard. A person shall not be granted a license as a security guard for employment in private security agencies and companies unless the applicant possesses the following qualifications:
i. A citizen of the Philippines;

ii. At least a high school graduate;

iii. Physically and mentally fit;

iv. Twenty-one (21) years old up to sixty (60) years old for watchmen or unarmed security guard, and not more than thirty-five (35) years old for new applicants and security guards in non-supervisory position;

v. Of good moral character and must not have been convicted of any crime or offense involving moral turpitude;

vi. Has passed the neuro-psychiatric test and drug test administered by the PNP or other similar government neuro-psychiatric and drug testing centers or facilities accredited by the PNP; and

vii. Has completed the required pre-licensing training course or its equivalent.

The license of a security guard who reaches the age of sixty (60) years old shall not be renewed.

c) Qualifications of a Security Officer. A person shall not be granted a license to practice as a security officer unless the applicant possesses the following qualifications:

i. A citizen of the Philippines;

ii. Physically and mentally fit;

iii. Of good moral character and has not been convicted of any crime or offense involving moral turpitude;

iv. Holds a baccalaureate degree or one who is without a baccalaureate degree but has earned and completed at least seventy-two (72) units in any college or vocational school and has at least five (5) years’ experience in any supervisory position;

v. Has graduated from a security officer’s training course or its equivalent; and

vi. Has passed the neuro-psychiatric test and drug test administered by the PNP or other similar government neuro-psychiatric and drug testing centers or facilities accredited by the PNP.

d) Qualifications of a Security Consultant. A person shall not be granted a license to practice as a security consultant unless the applicant possesses the following qualifications:

i. A citizen of the Philippines;

ii. Physically and mentally fit;

iii. Holds a baccalaureate degree;

iv. Has at least ten (10) years’ experience in the operation and management of security business;
v. Of good moral character and has not been convicted of any crime or offense involving moral turpitude; and
vi. Has passed the neuro-psychiatric test and drug test administered by the PNP or other similar government neuro-psychiatric and drug testing centers or facilities accredited by the PNP.

e) Qualifications of a Private Detective. A person shall not be granted a license to practice as a private detective unless the applicant possesses the following qualifications:
i. A citizen of the Philippines;
ii. Physically and mentally fit;
iii. Of good moral character and must not have been convicted of any crime or offense of moral turpitude;
iv. Holds a baccalaureate degree, preferably Bachelor of Laws;
v. Has graduated from a criminal investigation and detection course offered by the PNP, the National Bureau of Investigation (NBI), or any police training school, or a detective training course in any authorized or recognized training center; and
vi. Has passed the neuro-psychiatric test and drug test administered by the PNP or other similar government neuro-psychiatric and drug testing centers or facilities accredited by the PNP.

f) Qualifications of a Protection Agent. A person shall not be granted a license to practice as a protection agent unless the applicant possesses the following qualifications:
i. A citizen of the Philippines;
ii. At least twenty-five (25) years old and not more than sixty (60) years old;
iii. Of good moral character;
iv. Has not been convicted of any crime or offense of moral turpitude;
v. Holds a baccalaureate degree or has earned and completed at least seventy-two (72) units in any college or vocational school and has at least five (5) years' experience in any supervisory position; and
vi. Has passed the neuro-psychiatric test and drug test administered by the PNP or DOH-accredited neuro-psychiatric and drug testing centers or facilities accredited by the PNP.

Sec. 7. License To Operate (LTO).

a) A person who shall engage in the business of or act as a private security agency or engage in private security services shall first secure the necessary permit from the Chief, PNP, which
permit, as approved, is a prerequisite in obtaining a license to operate.

b) A license is required of any person who shall operate, manage or direct a licensed private security, detective, or training agency. Except for those employed solely for clerical or manual work, any person participating in the management or operation thereof shall likewise secure a license to operate a private security agency and provide security services.

c) A license to operate a private security agency and provide security services shall not be granted to any applicant who:

i. Has a previous record of conviction of any crime or offense involving moral turpitude;

ii. Has been dishonorably discharged or separated for cause from employment or service;

iii. Is mentally incompetent, as declared by the court;

iv. Has failed a government-mandated drug test;

v. Is a habitual drunkard or alcoholic; and

vi. Is proven to be acting as a dummy for a foreign national or company.

d) A private security agency, private detective agency, company guard force or government guard unit shall employ not more than two thousand (2,000) licensed private security personnel.

e) A license to operate a training facility shall be granted only to a training school, institute, academy, or educational institution which offers courses prescribed and approved by the PNP or training programs registered under the TESDA. Such license to operate a training facility shall be valid for a period of five (5) years from the date of its issuance. Licenses issued prior to the effectivity of this Act shall cease to be valid on its original date of expiry.

f) The license to exercise security profession of duly qualified security guards shall be valid for a period of five (5) years from the date of its issuance. LESP's issued prior to the effectivity of this Act shall cease to be valid on its original date of expiry.

g) The license to operate of a duly qualified private security agency, private detective agency, company guard force or government guard unit shall be valid for a period of five (5) years from the date of its issuance and shall be renewable unless sooner cancelled. Licenses to operate issued prior to the effectivity of this Act shall cease to be valid on its original date of expiry.

Sec. 8. Application for a License to Operate. – The application for a license to operate shall be made in writing or online by the owner for single proprietorships, or by the officer or officers of the partnership, association or corporation, or any authorized person duly designated by them, and shall be filed with the Chief,
PNP through the PNP-SOSIA, Civil Security Group (CSG).

Applications made by single proprietorships shall include a copy of the certificate of registration issued by the Department of Trade and Industry (DTI). Applications made by partnerships, associations and corporations shall include a copy of their respective certificates of registration issued by the Securities and Exchange Commission or the DTI together with the company’s By-Laws and Articles of Incorporation.

All applications shall be accompanied by a bond issued by any competent or reputable surety or fidelity or insurance company, duly accredited by the Philippine Insurance Commission, which bond shall answer for any valid and legal claim against the agency by its clients or employees. The amount of the bond shall be determined by the Chief, PNP and stipulated in the implementing rules and regulations of this Act. The amount of the bond shall not be unjustified, prohibitive or unreasonable.

Sec. 9. Fees and Bonds to be Paid. — When all requisites for the issuance of the license have been complied with, the Chief, PNP or the duly authorized representative, shall issue a permit for the issuance of such license and register the same, upon payment by the applicant of the annual national fee, and such other fees in accordance with the schedules of fees to be determined in subsequent issuances or orders by the PNP, through the SOSIA. The determination of the fees shall be made in coordination and in consultation with the various stakeholders.

Licenses issued by the authorized representative of the Chief, PNP are subject to the latter’s review. Any provision of this Act or other laws to the contrary notwithstanding, the Chief, PNP may, after following due process, suspend or cancel the licenses of private security agencies found violating any of the provisions of this Act or the rules and regulations promulgated by the Chief, PNP pursuant thereto.

Sec. 10. Administrative Fee of Private Security Agencies. — To safeguard the existence of legitimate private security agencies, the minimum administrative fee of private security agencies shall not be less than twenty percent (20%) of the total contract price. Contract price or cost shall include considerations for minimum wage and adherence to other existing labor laws and regulations relating to labor standard, overtime pay, including retirement benefits under R.A. 7641, otherwise known as the ‘Philippine Retirement Pay Law”, uniform, social benefits such as mandated contribution in the Social Security System, Employees Compensation Commission, Home Development Mutual Fund or Pag-IBIG Fund, Philippine Health Insurance Corporation (PhilHealth) and government taxes.

Sec. 11. Security Industry Profit Standard. — It shall be unlawful for the private security agency or private detective agency to require or demand from the principal unreasonable or unconscionable percentages as its profit based on the service contract if the same will result in the diminution of the wages or salary benefits of the security guards, personnel, or detectives. The share of profits of the private security agency must conform to the standard amount being implemented or practiced in the security industry and
other related laws.

Sec. 12. Employees Need Not Be Licensed. — Personnel employed solely for clerical or manual work need not be licensed. All other personnel operating, managing or directing a licensed security agency, including any person having any participation in the management or operation thereof, shall secure the license prescribed by appropriate Sections of this Act.

Sec. 13. Display of License of a Private Security Agency. — The license to operate shall be displayed at all times in a conspicuous and suitable place in the agency, office, headquarters and branch offices of the agency. It shall be exhibited at the request of any person who exercises jurisdiction over the business of the agency, the employees thereof, or of the Chief, PNP or the duly authorized representative.

Sec. 14. Safeguards for the Public. — The Chief, PNP may cancel or suspend the license to operate of any private security agency on any of the following grounds:

do) Cancellation of a license to operate:

i. When a private security agency takes part in an armed conflict either for private gain, or the desire for material compensation, or for the advancement of an ideology or philosophy;

ii. When a private security agency uses force or the threat of force to assert itself or those it represents in a national or local electoral contest;

iii. When a private security agency uses its authority to engage in human rights violations as described and protected in the Constitution;

iv. When a private security agency is used as a privately-owned and operated para-military organization operating outside of the regulatory framework established by this law and the implementing rules and regulations adopted by the PNP;

v. When a private security agency is deliberately, unilaterally, and with the full knowledge of its management, used for the protection of a syndicated criminal enterprise;

vi. When the stockholder, director, or senior officer of the private security agency is convicted of a heinous crime, as defined by law;

vii. When a private security agency intentionally and maliciously makes use of electronic security devices or remote video surveillance in a manner that violates the privacy of civilians, or violates any of the provisions of Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012;

viii. When a private security agency is deemed grossly negligent in dealing with violations, mistakes of its members, or incompetency in its ranks; and

ix. Any analogous cause, which renders the private security agency a detriment to the maintenance of peace and order.
b) Suspension of a license to operate:

i. When a stockholder, director or senior officer of the private security agency is convicted of a crime;

ii. When the private security agency engages in business practices deemed in violation of Republic Act No. 8799, otherwise known as “The Securities Regulation Code”; and

iii. Underpayment or maltreatment of its employees, or violations of the Labor Code “as decided with finality by a court or quasi-judicial body of competent jurisdiction.

Sec. 15. Supervision by the Philippine National Police. – Upon approval of this Act, the PNP shall exercise general supervision over the operation of all private security agencies through the SOSIA.

Sec. 16. Powers of the City or Municipal Mayors in Cases of Emergency. – In case of emergency or in times of disaster or calamities where the need for the services of private security agencies may arise, the city or municipal mayor may request the services of the agency nearest the area and its duly licensed personnel to help maintain peace and order, the prevention or apprehension of law violators, and in the preservation of life and property without compromising the safety and security of the area where the private security personnel are assigned. Deputized private detectives, watchmen or security guards shall take orders from the Chief, PNP through the SOSIA for the duration of a fire, inundation, earthquakes, riots, or other emergencies. Such request shall be made in coordination with the client of the private security agency.

Sec. 17. Issuance of Firearms. – A private security agency shall be entitled to possess firearms after having satisfactorily passed the requirements prescribed by the Chief, PNP, pertinent to the possession of firearms of any caliber, in a number not exceeding one (1) firearm for each private security personnel, to include single-posts, in its employ: Provided, That all the firearms herein referred shall be carried by the private security personnel only during their tour of duty, in proper uniform, within the compound of the establishment, except when they escort and secure persons, large amounts of cash or valuables.

A security agency can keep under its control and possession as many firearms as there are security guards in their employ as required of the private security services.

Sec. 18. Uniform. – The uniform of private security personnel shall be different from the uniform worn and prescribed for members of the AFP, City and Municipal Police Forces. The Chief, PNP, through the SOSIA, shall prescribe the uniform, ornaments, equipment, and paraphernalia to be worn by the private security personnel throughout the Philippines.

Sec. 19. Compensation and Other Benefits of Private Security Personnel. – Private security personnel shall be paid not less than the minimum wage and other benefits under the Labor Code of the Philippines, as amended, and other existing laws and regulations relating to labor standards.
For the purpose of ensuring the rights of private security personnel to the minimum benefits mandated by law, the following shall be mandatorily provided by the private security agencies to them:

a. Basic Wage Rate of Security Guards and Other Security Personnel — The basic wage rate of a security guard or personnel shall not be less than the minimum wage rate at the non-agricultural sector in the Region where the personnel is assigned regardless of the nature of the business of the principal, or in the Region where the security guard has been engaged, whichever is higher.

When a security guard/personnel is recruited through a branch office in another region where the principal is likewise located, the non-agricultural minimum wage rate applicable in the workplace of the principal shall govern.

Security guards or other personnel employed or assigned by a private security agency in one region but transferred, moved, or assigned to another region, shall be paid based on the more beneficial wage rate.

In case of transfer or reassignment to another principal within a Region, the wage rate may be adjusted but shall not be less than the applicable regional minimum wage rate.

In case a private security personnel is paid a salary lower than the minimum wage prescribed by law, the private security agency and its client where the underpaid private security personnel is detailed shall be solidarily liable for such violation.

If by law or wage order, the minimum wage of employees is ordered increased, it shall be the duty of the client to immediately effect the corresponding increase to the salary of the guards. On the other hand, it shall be the duty of the agency to likewise immediately increase the wages of the guards upon adjustment made by the client. Failure of either the client or the agency or both of them to comply with any law-mandated wage increase, shall make its officers and directors criminally liable in accordance with the penal provision in the appropriate wage orders or otherwise by the Revised Penal Code.

b. Rights of Security Guards and Other Private Security Personnel. — All security guards and other private security personnel, whether deployed or assigned as reliever, seasonal, week-ender, or temporary, shall be entitled to all the rights and privileges as provided for in the Labor Code, as amended, which shall include the following:

1. Safe and healthful working conditions;

2. Wage and wage-related benefits such as service incentive leave privileges, premium pay, overtime pay, holiday pay, night shift differential, 13th month pay, and separation pay as may be provided in the service agreement or under the Labor Code, as amended;

3. Retirement benefits under R.A. No. 7641, R.A. No. 1161, as amended by R.A. No. 8282, and retirement plans of the private security agency, if any;

4. Social security and welfare benefits including SSS, ECC, PhilHealth, and Pag-IBIG Fund;
5. Right to self-organization;
6. Right to collectively bargain and negotiate, subject to the provisions of existing laws; and
7. Security of Tenure.

Sec. 20. Study Now Pay Later Program. — A security guard or watchman or private detective, who opts
or is mandated pursuant to existing laws and regulations to undergo and finish the security management
specialist course, shall be granted a study now-pay later scheme or program by any private or public training
institutions duly accredited by the government to provide such training. The implementing rules and
regulations (IRR) to be promulgated under this Act shall provide the reasonable mechanism for the availment
of this scheme, taking into consideration the welfare of guards and watchmen, and the rights and interest of
the institutions concerned.

Sec. 21. Ladderized Training and Education; Subsidy. — A security guard, watchman, or private
detective, who opts or is mandated by existing laws and regulations to undertake and finish basic or additional
training programs, courses, or training requirements including, basic security guard courses, specialized
security guard courses, security officers training courses, whether specialized or not, detective training
courses, and candidate protection agent courses, shall undergo a ladderized schedule or program by any
private security training institutions or public institutions duly accredited by the government to provide such
training.

Private educational institutions and training schools which offer such ladderized schedule or program
on training, courses, and programs to private security personnel, may receive subsidy from the State through
the provision of TESDA scholarship programs subject to existing Scholarship Guidelines to insure
professionalism among the private security personnel: Provided, That only those training schools, institutes,
academies, or educational institutions with a valid LTO and with registered programs under TESDA shall be
able to receive the subsidy for the benefit of private security personnel enrolled in its facility.

For this purpose, the TESDA and the PNP may provide for reasonable mechanisms for the execution
of this scheme in the rules and regulations to be promulgated to implement this Act. The welfare of private
security personnel, and the rights and interest of the institutions concerned must be taken into consideration
in the crafting of the IRR.

Sec. 22. Limitations and Prohibitions. — No private security agency shall offer or render services to
gambling dens or other illegal enterprises. The extent of the private security service being provided by any
private security agency shall not go beyond the whole compound or property of the person or establishment
requesting the security service, except when escorting and securing persons or large amounts of cash.

Private security agencies have the responsibility to perform due diligence on prospective clients and
ascertain the legality of the services they are required to perform.

Sec. 23. Implementing Rules and Regulations. — The Chief, PNP, in strict and public consultation with the Philippine Association of Detective and Protective Agency Operators Inc. (PADPAO) and other national private security associations, representatives of private security personnel cooperatives, and other stakeholders of the security industry, and subject to the provisions of existing laws, shall promulgate the rules and regulations necessary to implement the provisions of this Act within ninety (90) days from its effectivity. Furthermore, the Chief, PNP shall consult with PADPAO and other national private security associations, private security cooperatives and other security industry stakeholders prior to the issuance of all regulations and issuances related to and affecting private security agencies and private security personnel. The PNP shall review the rules and regulations implementing this Act every three (3) years.

Sec. 24. Penal Clause. — Any individual, corporation, partnership, or association that violates any of the provisions of this Act shall suffer the penalty of imprisonment of not less than six (6) years and one (1) day to twelve (12) years, or a fine of not less than One Million Pesos (P1,000,000), or both, at the discretion of the court, and cancellation or suspension of its license with forfeiture of the bond.

If the offender is a corporation, partnership or association, the penalty shall be imposed upon the officer or officers of the corporation, partnership or association, without prejudice to the cancellation of their license issued by the SOSIA.

Prosecution under the provisions of this Act shall be without prejudice to any liability arising from violation of Act No. 3185 or the Revised Penal Code, and other civil liabilities.

Sec. 25. Separability Clause. If any part or provision of this Act is declared unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

Sec. 26. Repealing Clause. Republic Act No. 5487 is hereby repealed. All laws, rules, resolutions, municipal ordinances, regulations and administrative orders contrary or inconsistent with the provisions hereof are hereby repealed.

Sec. 27. Effectivity. This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation.

Approved,
FACT SHEET

HOUSE BILL NO. 8783

STRENGTHENING THE PRIVATE SECURITY INDUSTRY


Committee Referral: COMMITTEE ON PUBLIC ORDER AND SAFETY
Committee Chairperson: REP. NARCISO R. BRAVO, JR.

OBJECTIVES

- To further professionalize the private security services industry through appropriate mechanisms for the regulation and supervision of private security guards and personnel, and the practice of security profession
- To protect the welfare of security guards
- To support the government policy of safeguarding the public against private armies hiding behind the guise of private security agencies

KEY PROVISIONS

- Requires that a private security agency shall be one hundred percent (100%) Filipino-owned;
- Authorizes the Chief, Philippine National Police (PNP), in consultation with various stakeholders, to determine the minimum capital requirement and minimum bank deposit required to operate private security agencies;
- Establishes the requirements on who may apply for a license to engage in the private security profession;
- Mandates that the license to exercise security profession (LESP) shall be valid for a period of five (5) years from the date of the issuance of license;
- Prescribes the qualification standards for private security personnel, private security guard, security officer, security consultant, private detective and protection agent;
- Allows the security guard, watchman, or private detective to undertake a ladderized training and education program under the “Study Now, Pay Later” scheme;
- Provides the requirements for the grant of license to operate private security agency or engage in private security services;
- Mandates that a security agency shall not have more than two thousand (2,000) licensed private security personnel under its employ;
- Establishes the grounds for disqualification in denying any person the license to operate private security agencies;
- Provides the guidelines for the application for a license to operate;
- Authorizes the Chief, PNP through the Supervisory Office for Security and Investigation Agencies (SOSIA) to issue the license to operate when all the requisites are complied with;
- Mandates the minimum requirement of the administrative fees of private security agencies;
- Directs the private security agency to display the license to operate at all times in a conspicuous and suitable place in the agency, office, headquarters and branch offices;
- Establishes guidelines whereby the Chief, PNP may cancel or suspend the license to operate private security agency;
- Prohibits the use of private security agencies as private armies;
- Directs the PNP to exercise general supervision over the operation of all private security agencies;
- Authorizes the city or municipal mayor to request the services of private security agencies in case of emergency or in times of disaster or calamities;
- Provides the standards for the issuance of firearms for private security agencies and private security personnel;
- Directs the Chief PNP, through SOSIA to prescribe the uniform, ornaments, equipment and paraphernalia to be worn by private security personnel throughout the Philippines;
- Mandates strict compliance with the Labor Code on compensation and other benefits of security personnel;
- Prohibits the security agency from offering or rendering services to gambling dens or other illegal enterprises;
- Directs the Chief, PNP to consult with stakeholders in drafting the implementing rules and regulations of this Act;
- Mandates that the implementing rules and regulations be reviewed every three (3) years;
- Imposes the penalty of imprisonment of not less than six (6) years and one day to twelve (12) years, or a fine of not less than One Million Pesos (Php 1M) or both at the discretion of the court and suspension or revocation of its license with forfeiture of the bond to any private security agency or detective agency which violates any provision of this Act;

- Repeals RA No. 5487 entitled, "An Act to Regulate the Organization and Operation of Private Detective, Watchmen or Security Guards Agencies"

RELATED LAWS

- Republic Act 5487 – An Act to Regulate the Organization and Operation of Private Detective, Watchmen or Security Guards Agencies

- Presidential Decree No. 11 - Amending Certain Sections of RA 5487